

## **Issues concerning the direction and resourcing of neighbourhood and community centres in New South Wales following *Keep Them Safe* and the 2009-10 state budget.**

### **Introduction.**

Following the announcement of the NSW Government's 2009-10 Budget, the Local Community Services Association (LCSA) received a letter from the Minister for Community Services effectively shutting down the CSGP Roundtable. The roundtable provided the focus for the peak bodies representing CSGP funded services to collaborate with the department both to locate CSGP funded services within the service system properly and with integrity and to restore adequate funding to the sector.

The Minister's letter states:

*"Keep Them Safe* emphasises that a strong community with well-resourced and managed services results in better outcomes for children, young people and their families."

LCSA therefore regards the failure of *Keep Them Safe* to provide adequate resources for the community based services that are on the front line of prevention as a serious failure on the part of the Government.

The Minister's letter also states:

*"Keep Them Safe* sets out a timetable of actions to be undertaken over the next five years to 2014. One of the actions recommended by the Commission is the establishment of a coordinated framework for community services funding, so as to eliminate unnecessary overlap and provide for the delivery of services where they are most needed. The Department of Community Services is supportive of this recommendation, and has commenced work to meet this longer term goal."

The Local Community Services Association (LCSA) recognises the Government's need to establish a co-ordinated framework for community services funding, the elimination of unnecessary overlap and the provision for services to be delivered where they are most needed. We are sure the Government also recognises that because two or more Government programs may overlap somewhat in their stated purposes and activities this does not necessarily mean an overlap of services to clients in the community.

The history of review of CSGP funded services gives us no confidence that further "reform" will do anything other than ignore or discount the specific contribution made by neighbourhood and community centres, particularly given the lack of transparency in the Department of Community Services' dealings with the sector since the last meeting of the CSGP Roundtable in July 2008. As the minister has stated "The new focus and structure for the CSGP developed in the review will be used to inform the broader Funding Review", it is important the department does not just pick aspects of that review which are convenient to its current purposes and ignore the broader understanding and commitments that were made in the course of the review.

Any new review of the neighbourhood and community centre sector as part of a broader review must take proper account of the following factors:

1. The history and impact of failed review processes in this sector.
2. The real contribution of neighbourhood and community centres to their communities and the service system and the issues involved in measuring this impact.
3. Distorted political and bureaucratic perceptions of the sector.
4. Integrity and transparency in processes and communication.
5. A way forward.

### **1. The history and impact of failed review processes in this sector.**

*Keep Them Safe* opens a new era. However, it would be unwise to treat it as a child protection year zero by ignoring everything that has gone before or by denying ongoing consideration of the contribution to preventative measures within the child protection system that is made by CSGP funded services such as neighbourhood and community centres. *Keep Them Safe* will be diminished if it is used as a mantra to forestall any further discussion on the role and contribution of neighbourhood and community centres. We cannot afford to succumb to a form of institutional amnesia discounts either knowledge of past history or recognition of ongoing challenges.

Early in 2006, neighbourhood and community centres felt disempowered, angry and frustrated. There was also a great deal of fear and anxiety concerning Government's future intentions toward them. A large part of these energy sapping emotions related to the frustrations of a series of five reviews of the sector over a period of (at that time) 18 years. From the sector's perspective a **pattern** had emerged through the course of the reviews:

- i. A review would open with the promise that alignment with the funding body's purposes/framework/latest bright idea would issue in more adequate resources.
- ii. Neighbourhood and community centres would then adjust their focus accordingly.
- iii. They then discover that the promised resources fail to materialise.
- iv. Nevertheless, the department pushed ahead with the changes suggested by the review without additional resources.

This process, which we are now being told is to be repeated for a sixth time, inevitably generates a **series of negative impacts**:

- i. The real world contributions made by neighbourhood and community centres to their communities and the service system are ignored, discounted and even eroded while they continually try to prove their value within artificially contrived logic frameworks which bear little relation to on the ground reality.
- ii. The process of rolling review for no outcomes creates a long standing and ongoing climate of uncertainty which is debilitating for the organisations involved and their staff. It is well

recognised that uncertainty is one of the most significant contributors to workplace stress, which in turn significantly undermines efficiency and effectiveness.

- iii. Trust between the sector and government becomes severely eroded. The more benign reaction to this is one of resignation, the more aggressive is anger and frustration. Neither is helpful to constructive engagement.

These factors all contributed to the mood of the sector early in 2006, as noted above. It is perhaps no surprise that relationships between the peak bodies on the CSGP Roundtable and the Department of Community Services had reached a low point. This was evident in the levels of anger expressed by NCOSS representatives in the roundtable meeting of 4<sup>th</sup> April 2006.

Against this background, the LCSA Management Committee has over the past three years pursued a professional and intentional policy of constructive engagement with DoCS, determined that historic setbacks should not be allowed to poison current interactions.

At the advice and urging of the department it proposed and established the Results Based Accountability pilot project. Through this project, it has made some considerable progress in finding appropriate ways to measure the complex, multifaceted contribution of neighbourhood and community centres to the well being of their communities and the individual children, families and young people within them.

LCSA also participated actively in the ongoing deliberations of the CSGP Roundtable. It used its annual conference as a platform for senior DoCS officers to outline the reasons and framework for yet another review. It brought its membership into constructive and even hopeful engagement with this review process despite the overwhelming suspicions generated by the evidence of past review failures and the well grounded fear that a narrow focus on child protection failed to recognise or value the real contribution of neighbourhood centres within their communities.

The work of the CSGP Roundtable, which led to the business case to Treasury, represented a two year period of respectful, constructive, transparent and, at times, intensely active engagement on the part of both officers of the department and representatives of the CSGP peak bodies. All parties were deeply aware of each other's purposes, needs and constraints. They worked together to both clearly locate CSGP funded services within the parameters of DoCS core business and to find ways of adequately measuring, evaluating and improving their contribution and provide more adequate resources toward their valuable and under- valued community based prevention activities.

The presentation of the business case for CSGP to Treasury (initially early in 2008 prior to the 2008-9 budget) was, to our knowledge, the first time in the now 20-year history of six reviews of CSGP that the case for enhancing the funding of neighbourhood and community centres and other CSGP services had proceeded this far.

However, in the meantime, the establishment of the Wood Special Commission of Inquiry into Child Protection created an environment which marginalised recommendations of the CSGP review:

- When the 2008-9 Budget was brought down we were told to wait for the findings of the Special Commission of Inquiry.
- The 2008-9 Budget re-categorised Community Services Grants Program funding as "Contracted Child Protection Services" without any consultation with the CSGP peak bodies.

At the time, our expressions of concern were met with the explanation that “contracted child protection” did not mean “statutory child protection”.

- In November 2008 the Minister for Community Services told the LCSA Management Committee that neighbourhood and community centres “should not be so anxious” and that the Premier “understood CSGP”.
- The Inquiry failed to understand or value the role of CSGP funded services within the overall framework of the total service system and, while mentioning the CSGP review, recommended further review of all DoCS funded programs.
- When the Special Commission of Inquiry report came out we were told to wait for the Government’s response.
- The Government’s response to the Special Commission of Inquiry *Keep Them Safe* simply ignored CSGP funded services.
- When *Keep Them Safe* was unveiled we were told to wait till the 2009-10 Budget.
- Now the 2009-10 Budget has been brought down Government and DoCS are acting as if anything ignored by *Keep Them Safe* does not exist.
- The 2009-10 Budget places funding for neighbourhood and community centres under “statutory child protection”.
- So the ultimate outcome of the sixth review of the funding stream of neighbourhood and community centres will be a seventh review.

LCSA’s members may be forgiven for assuming that the constructive approach which has been taken by LCSA has failed to deliver any real benefit and that any initiatives, including the current *Keep Them Safe* Funding Review, will simply issue in further change in service requirements without adequate resourcing.

The Minister’s letter states:

“The new focus and structure for the CSGP developed in the review will be used to inform the broader Funding Review, as the Department work to establish a more streamlined and less duplicative overarching framework for community services funding.”

This appears to pave the way for this review to follow the same negative processes as previous ones, namely that aspects of the review will be taken and implemented without adequate funding. The Minister needs to understand that the “new focus and structure for CSGP developed in the review” was accepted by the participating peak bodies because it was established within the context of the recognition to:

- i. Restore the real value of the funding of CSGP services to 2000 levels.
- ii. Provide additional funding to enable services to meet the massive increase of demand they are facing.

- iii. Provide additional funding to enable improved alignment with the headline result “Disadvantaged, children, young people and families and disadvantaged communities are safe and resilient”.

Very senior officers of DoCS participating in the CSGP Roundtable recognised the inadvisability of proceeding with further reform without the identified funding. It is extremely unwise to terminate the CSGP roundtable without at least one further meeting to explore the implications of replicating previously failed review and reform processes by proceeding with aspects of reform without adequate funding.

The issue here is not solely one of resources but the transparency and integrity of the processes of the Government and its departments. There was a clear understanding between DoCS and the CSGP peaks participating in the CSGP Roundtable that sector reform and the provision of more adequate levels of funding went hand in hand. LCSA’s involvement in the processes of the Roundtable which often required levels of confidentiality which made it difficult to consult our members adequately and our support for, and advocacy to our members of, the new headline result was predicated on this understanding. It is not adequate for Government to proceed as if *Keep Them Safe* so trumps everything else that the department can proceed as if the issues of the review which the CSGP Roundtable participated in can simply be ignored. Neither is it acceptable for Community Program Officers to seek to conform services to their view of what alignment with the headline result looks like without completing the outstanding work of the roundtable in relation to service types and program measurement.

## **2. The real contribution of neighbourhood and community centres to their communities and the service system and the issues involved in measuring this impact.**

The nature of the work of neighbourhood and community centres has made it very difficult for both our members and Government departments to quantify their contribution to their communities and the service system fairly and accurately within the siloed structure of departmental accountability.

This is not a reprise of old arguments from within this sector that have simply claimed its contribution cannot be measured. LCSA has taken the task of measuring sector contribution very seriously. However, the more we are engaged in the task of measuring the sector’s contribution the more we uncover the complexities involved in completing this task with integrity and accuracy.

LCSA is tired of hearing second hand that a Treasury official or politician has made the observation that there is no evidence to prove that what our member centres do is effective or contributes to Government priorities.

LCSA acknowledges the need to demonstrate the effectiveness of its members’ activities and the contribution they make to several State Plan goals. LCSA will also concede the lack of evidence concerning the effectiveness of this contribution, providing those making such statements are prepared to concede in turn that there is equally no evidence available to demonstrate our members do not make an effective contribution. Lack of available evidence, in a form that is required by Treasury, may not provide an argument for the contribution of neighbourhood and community centres, but it does not furnish an argument against them either.

The primary issue here is the lack of effective measurement systems available within the constrained resources of the CSGP program to measure the particular contribution of neighbourhood and

community centres in a cost effective manner. Second, there is a lack of bureaucratic will to measure real world contribution outside of a narrowly siloed approach constrained by the competitive funding requirements of government departments. This does not imply this contribution cannot and should not be measured, but it requires some commitment by Government to take this task more seriously than it has done in the past.

Currently the Productivity Commission is engaged in a Study into the Contribution of the Not for Profit Sector. The Commission's Issues Paper categorises Not for Profit organisations using the International Classification of Non-Profit Organisations (ICPNO). An examination of this classification shows that neighbourhood and community centres as a group participate in activities across eight of the twelve categories and may therefore be best categorised as locally based multi-activity social services and development organisations.

As multi-activity social services and development organisations, neighbourhood and community centres make a number of specific, measurable contributions to a wide variety of State Plan goals through various funded and non-funded programs. However, because the core funding which enables this to happen is provided through CSGP which is administered by DoCS, the only contribution of this funding which the funding body sees as legitimate to measure is that which is made toward its own core objectives. This seriously discounts the real world contribution of the sector, nevertheless LCSA supported the CSGP review in its attempt to create a framework in which this could be accomplished.

However, the strength of the contribution which is made by neighbourhood centres is not only found in the distinct contribution of the specific services which constitute a particular centre but in the linkage of those services within one organisation and, frequently, one location. This, combined with the community base and management of neighbourhood centres, creates locations which are recognised by the surrounding community as being for and of the community. The result of this identity is that people with specific needs and issues often access neighbourhood centres more readily than they do services which are publicly identified as meeting those needs. This is because many potential service clients experience a sense of stigma which makes them reluctant to access publicly identified specific services, whereas they will approach a neighbourhood centre because it is identified as belonging to the whole community.

The unique strengths of locally based multi-activity social service and development organisations are therefore found not only in their quality services but also in:

- their combination of their sense of ownership by the local community through community based management,
- their wide range of services and activities and the intersection of these services and activities,
- their ease of accessibility,
- their branding as being for "the whole community",
- the social inclusion focus created by this mix, and
- their consequent ability to bridge the gap between the service system and the real life experience of many potential clients of that system.

Modern research internationally is not only acknowledging the importance of such a contribution, but also finding ways to measure it. Nevertheless, because the particular strengths of neighbourhood and community centres focus on the preventative rather than the acute end of the service spectrum, we face a mindset within both elected and bureaucratic arms of government

which sees these contributions as “soft” and discounts them in comparison to the contribution of discrete, single focus services whose outputs are easier to measure.

There is a real risk that in the need of government departments to justify expenditure to central agencies within a siloed framework the specific and vital contribution of neighbourhood and community centres to community strength, prevention and access to the service system for those who need it will be ignored. This important aspect of the preventative base of the service system is then in danger of being lost as neighbourhood and community centres seek to distort themselves into the narrow parameters of the statutory child protection system.

LCSA’s understanding of the specific issues involved in measuring the contribution of neighbourhood and community centres have emerged from its engagement in Results Based Accountability through its DoCS funded Results Based Accountability Pilot Project. The opportunity to engage in an internationally respected framework has provided a number of insights which have been detailed in LCSA’s submission to the Productivity Commission and in its Executive Officer’s presentation to the recent ARACY Seminar, both of which can be found on LCSA’s website. LCSA has been waiting since February for departmental comments on its Results Based Accountability Templates for CSGP funded neighbourhood and community centre programs.

Our Results Based Accountability work has demonstrated it is eminently possible to measure the contribution of neighbourhood and community centres but it requires both will and resources on the part of government to do it and a far more sophisticated approach to what is a small, but very complex sector. Moreover, in some cases, the resources required for good measurement are disproportionate to the value of the funding required. With goodwill and common sense it is possible to devise a system which will provide aggregated data across the sector for the funding body to provide an array of measurements to central agencies. However, LCSA strongly believes that the total contribution of its members should be quantified and recognised.

LCSA will continue its engagement with the burgeoning social measurement industry as it searches to complete the picture concerning what is required to measure the contribution of the sector properly. There is an emerging body of international theoretical analysis and empirical evidence which has started to document how neighbourhood and community centres are contributing a range of indirect support services to the local communities they work with by providing access to community based information and referral services. This evidence will be cited in the research study **Neighbourhood and Community Centres: results for children, families and communities**, which is being prepared for LCSA by the Social Policy Research Centre of the University of New South Wales. LCSA will be formally launching this research in July.

### **3. Distorted political and bureaucratic perceptions of the sector.**

LCSA has found that in the absence of proper measurement frameworks, various negative perceptions of the sector have become entrenched among both politicians and bureaucrats.

The levels of professional expertise within the sector is often ignored or discounted.

The social inclusion programs of the sector, which are so instrumental in enabling reluctant users to engage with the service system, are stereotyped using out of date service examples.

The sector as a whole is stereotyped around its least performing members as if they somehow typify the whole sector. This leads to the false perception that smaller, locally based services are inefficient and less effective than other service delivery models whereas there are many neighbourhood and community centres using limited resources in a highly efficient manner, tapping skilled volunteers for back office functions and producing highly effective programs.

The value of a community-based community development approach as part of an overall service mix is neglected. To ignore a community development approach at the preventative end of the service system and to rely solely on case management is the pathway to an increasingly expensive expansion of the acute end of the service system. This is what is currently happening in New South Wales and the failure of *Keep Them Safe* to properly fund the preventative services currently funded by CSGP will mean this trajectory is likely to continue.

LCSA is confident of the contribution its members make to their communities, to the service system and to Government State Plan priorities. What it seeks for its members is a proper location within the bureaucratic framework where this contribution can be properly measured, valued and resourced.

#### **4. Integrity and transparency in processes and communication**

Over many years, one of the greatest impediments to effectiveness within neighbourhood and community centres is the amount of emotional energy the key workers expend responding to an environment of virtually continuous review which never produce any outcomes beyond continuing uncertainty. As stated earlier, this environment verges on a form of institutional abuse. It is ironic that the processes that are supposedly intended to produce greater effectiveness within the sector should be so counterproductive to this outcome.

From the beginning of the last CSGP review, LCSA clearly stated its collaborative commitments to senior officers of DoCS and fulfilled those scrupulously, working collaboratively with the department to create a business case and only turning to the political process when it became clear the business case would not progress without political support.

However, LCSA does not believe it is being treated with the same degree of transparency by either the department or the Government.

**If the Government values the contribution of neighbourhood and community centres, as many individual members claim they do, then it should find the political will to place funding on a secure and adequate footing.**

**If the Government does not value the contribution of neighbourhood and community centres it should have the political courage to state this openly and accept the political consequences.**

**If the Government cannot make up its mind on the contribution of neighbourhood and community centres due to lack of evidence, then it should at least fund adequate research to inform both itself and the sector.**

## 5. A way forward

Nothing in this paper is designed to protect neighbourhood and community centres which underperform in either effectiveness or efficiency. LCSA is committed to its members providing high quality services to their clients through well managed and resourced centres. This commitment has already been demonstrated in the establishment of the Results Based Accountability pilot project and the Targeted Capacity Building project.

Moreover, LCSA's Management Committee has adopted a neighbourhood centre renewal strategy which commits it to promoting the following growth and improvement strategies among its member organisations:

- Renewed membership
- Renewed community engagement
- Using the full range of community development strategies
- Providing quality services grounded in evidence based practice
- Establishing measurement frameworks and providing data to demonstrate contribution
- Promoting networks of partnerships and regional collaboration
- Achieving good governance and policy development
- Gaining adequate funding
  - through current funding sources
  - through capacity to compete in tender processes
  - through gaining PBI & DGR status across the sector

LCSA's challenge to its members is to implement this strategy and LCSA's commitment to its members is to provide the resources necessary to implement it. LCSA recognises and reinforces to its members that centres who chose not to implement the renewal strategy will be making a choice not to continue operating into the future. The initial implementation of this strategy has indicated the capacity of underperforming centres to renew their operations and systems so that they can continue to make a meaningful contribution to community and Government priorities.

LCSA will of course continue its constructive engagement with the Government and with the implementation of *Keep Them Safe*. However with the failure of DoCS business case to Treasury for CSGP, LCSA requests Government consider a more realistic and holistic approach to the contribution of neighbourhood and community centres than trying to artificially shoehorn them into the statutory child protection framework. If interstate rivalries are put aside, the Government could consider the Victorian approach where the State Government recognises the total contribution of neighbourhood and community centres and funds their coordination as a discrete funding program with a specific performance framework which is realistic to their actual contribution to Government goals.

Neighbourhood and community centres have made a significant contribution to New South Wales over the past 30 years, and in some cases much longer. LCSA seeks the Government's co-operation in renewing, focussing and sustaining that contribution into the future.

Brian L Smith  
for LCSA, 3 July 2009.