Review of the
Area Assistance Scheme

Issues and findings from the full report

Prepared by Australia Street Company

planningnsw

Since this report was written, the Department of Urban
Affairs and Planning has been renamed Department of
Planning and operates as PlanningNSW.

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Acknowledgements

Executive summary

This report is an extract from the Triennial Review of the Area Assistance Scheme conducted in 2000 by Australia Street Company. This report comprises the examination of issues and the findings of the consultants vis-à-vis the terms of reference for the review. The full Review report submitted by the consultants contains recommendations which are still receiving consideration by the Government and are not yet available for release.

Terms of reference

The terms of reference for this Triennial Review of the Area Assistance Scheme require the consultant team to focus on two main questions:

- 'the fundamental rationale for the Scheme and its relationship to other relevant grants programs, and

- in the light of 1, (and if the conclusion is that the Scheme should continue in some form) the appropriateness of the changes which have been made to the Scheme since the last triennial review and strategic directions for the future of the Scheme.'

Among the wider issues affecting the Scheme's rationale and focus, the terms of reference suggest consideration of:

- 'urban and regional development trends and associated pressures on community resources;

- trends in government and local councils in terms of support for community development/ community strengthening initiatives;

- relevant developments in other grants programs;

- the impact upon the program of the changes previously made to arrangements for pick up funding';

- whether the Scheme has any features and 'added value' which distinguish it from other related grants programs; and

- the regions to which the Scheme has been and should be applied.

In regard to the second main term of reference, the Review is to examine:

- 'the outcomes that the Scheme has achieved over the past three years
- the appropriateness of the direction in which DUAP has been taking the AAS
- whether the Scheme is best administered by DUAP or another agency
- priorities/models for future program management
- the role of local government in the administration of the Scheme
- required resources of program management assuming "best practice" grants management benchmarks, and
- effective models for allocating resources across the regions covered by the Scheme.'

Overview of issues

This report raises a number of issues concerning the rationale and focus of the Area Assistance Scheme and its current operations which are summarised below. The first set of issues relates to the fundamental rationale and focus of the Scheme and the second set to the way it currently operates.

The fundamental rationale and focus of the AAS

1. The AAS has been going for 20 years and there are a number of myths about it which are in circulation but are no longer supported by the facts. These include: that the Scheme is badly run, that it does not give value for money, that 'pick up' programs 'never stop', that it is really another version of the Community Services Grants Program administered by the Department of Community Services (DOCS), that it is out of date and that the great diversity of the projects funded by the Scheme is a measure of its inadequacy. One finding of this Review is that these sentiments, all of which have been expressed to the Review team, are misconceptions.

2. The history of the AAS is one of continual review and several efforts to close the Scheme down. The regular review process has resulted, especially since the 1996 review, in a much more streamlined operation. The effects of several efforts to close the Scheme have been destabilising and have resulted in myths in the community such as that the Government does not support the Scheme.

3. While the Scheme began as a program to enhance the budgets and shift the priorities of human services line agencies, this is no longer its main focus. The number of 'pick up' projects set up under the AAS which will move across to these departments is now small and strictly limited to those to which the receiving agency consents.

4. The AAS has been consistently undervalued. The benefit-cost analysis in this report shows that the Scheme gives considerable value for money. Even in simple dollar terms, the Government more than doubles the value of its money in benefit to local communities through the AAS. This is without taking into account *any* of the many tangible but difficult-to-measure benefits of the program (see the section headed *Value for money*).

5. The AAS is a community self help program. Community self help has not been fully articulated as a Government priority, although it is consistent with Government priorities reflected in Strengthening Communities initiatives. The policy implications of Government support for community self help and the difference between facilitating (bottom up) local initiative and delivering (top down) efficient and effective services have not been clearly identified in Government policy. This is one of the reasons why the AAS is often seen as a not-very-good kind of top down service delivery program. Articulation of the benefits and the particular needs and characteristics of community self help programs would assist in securing a better understanding of the AAS and its role in a well rounded set of Government priorities for community infrastructure development. Community self help is defined and described in the section headed *Community Self Help*.

6. Community infrastructure is defined in this report as the sum of the social structures and systems which contribute to the effective functioning of a neighbourhood or other place-related communities. The scope of this concept is described in the section headed *Community Infrastructure*. This concept includes the idea of social infrastructure (buildings and services) as it is currently used in much planning practice, but community infrastructure is more comprehensive.

7. The purpose of community self help through the AAS is to improve community infrastructure in local communities. The concept of community infrastructure requires better articulation so that:

   - people understand it

   - the wide range of projects potentially funded under the AAS are placed in a context which demonstrates that they are legitimate and appropriate, and

   - local communities can identify projects which would build up their community infrastructure but which are outside the range of social or community services which have been the traditional focus of the AAS.

8. For the purposes of community self help, the term 'community' also requires definition, so that it is clear that community self help refers to small, local communities such as neighbourhoods or local communities of interest rather than the community of the State of NSW. See the section headed *Using 'community' like salt*.

9. The AAS currently focuses on high growth areas of the State, because of shortfalls in service provision in these areas and because this is a main focus of the Department of Urban Affairs and Planning (DUAP). However, this focus is inequitable in terms of the needs of many local communities in NSW for support and assistance with community self help. For example, some areas of high growth have an expanding population rate base and substantial resources, whereas some rural and regional areas of NSW with contracting population and rate bases nonetheless require community infrastructure and the benefits of community self help. This issue is discussed in *The focus on high growth areas*.

10. Despite a long association by some councils with the AAS, most local authorities are spending little of their own revenue on community services. Local government in NSW has had to take on a large number of unfunded new responsibilities in recent years and this, coupled with the fact that the State Government does fund the delivery of human services at the local level, partially accounts for this pattern. However, local government is well placed to participate more actively in the development of community infrastructure and ways need to be found to facilitate this. See the section on *The role of local government.*

11. The AAS appears to be the only non-target-group specific community self help grants program run by the State Government.

12. The AAS is the only grants program which actively involves the local community in priority setting and decision making. Other State Government grants programs are allocated according to the priorities of the disbursing department rather than in response to the diversity of locally derived community self help initiatives and local priority setting. In addition, the fact that grants programs focus on departmental core business means that to tie the Area Assistance Scheme to any department other than DUAP would be to narrow its focus and stifle the very process, namely community self help, which is a key feature of the Scheme. The comparison with other grants is made in the section *The relationship with other grants schemes* and at **Attachment 8**.

13. At the same time, DUAP's mission to develop 'liveable communities' means that the Department's core business is to be actively interested in the breadth of initiatives which foster community infrastructure; and through its management of the Area Assistance Scheme DUAP has demonstrated a consistent track record of promoting community self help. However, the concepts of community self help and community infrastructure, as defined in this report, suggest that this is an area of DUAP's core business with which the Department is not yet fully engaged. DUAP has the opportunity to embrace this aspect of its core business in ways which would enhance its effectiveness both as the creator of 'liveable communities' and as manager of the Area Assistance Scheme. See *The core business of DUAP.*

14. The structures and processes which foster community self help require long timeframes for their development and this is inconsistent with the way in which the AAS has had to move towards shorter funding terms. By clarifying definitions and establishing some other mechanisms to complement the AAS, it should be possible to find ways to secure long term funding arrangements for some key elements of community infrastructure other than through 'pick up' by other Government departments. These opportunities are discussed in *The core business of DUAP.*

15. The AAS is not like other grants schemes; it is not top down and it is not a program in which funds for the same or similar programs are administered year after year to the same or similar service providers. The very characteristics which make the AAS valuable are those which mean that it requires a reasonable level of administrative capacity and that what is reasonable cannot be determined by benchmarks drawn from top down grants programs which operate quite differently. DUAP has a budget of $500,000 for the employee related and operating costs of the AAS. This represents approximately 4.8% of its anticipated 2000/2001 budget. Even when compared with top down grants programs this falls extremely short of the 7% - 10% currently expended by these latter programs[1].

It is entirely inappropriate that this Scheme should be required to operate on less than even the usual percentage of funds for administration and grant management. See section: *Less is not always more*.

16. Finally, the public responsibilities of the private sector should not be overlooked in the development of community infrastructure. Private businesses, for example, stand to gain from a robust community infrastructure and can contribute to it. How this might be done is discussed in *The private sector's public responsibilities*.

The way the Scheme currently operates

The small team of people working in the AAS have implemented many of the recommendations of the Triennial Review of the Scheme in 1996, with the result that there have been marked improvements in the way prospective 'pick up' projects are handled and administrative efficiencies have been achieved. The Scheme now has a set of guidelines and a revised handbook, both of which are well written in plain English and the guidelines and requirements they contain are rigorous but flexible and not unduly onerous. Nonetheless, there are some areas where practice has not matched requirements and/or some further adjustments would achieve a better use of resources. These adjustments relate to:

- The development of regional AAS plans by Regional Advisory Committees (RACS) – the intention of these plans, which is to assist the RACS to consider and rank submissions on an informed and holistic basis, is appropriate, however a plan as such is probably not quite the right vehicle. Alternative mechanisms to achieve the same aims are discussed in *Local and regional plans and priorities*.

- The two tier assessment and recommendation process – which adds to the delay between submission and decision making. These problems are outlined in *Two tier recommendation making*.

- The impacts of continuing change on a community self help program – community systems and structures are much less robust than bureaucracies and cannot be continually subject to restructure. See: *Death by insecurity*.

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1. The Review of Grants to the Community Sector, 1998, Council on the Cost of Government, unpublished.

- The confusion of equity with equality – committees seem to find it easier to allocate funds on some apparently equitable basis such as population rather than grapple with the need to fund differentially so as to achieve equality of outcomes. This is discussed in *Equity and equality*.

- The gap between theory and practice in regard to the management of conflicts of interests – the benefits which would flow from an increase in good practice in the area of vested interests would be substantial and be felt in many other arenas. See the section *Interest, influence and integrity*.

Findings

This Review finds that:

1. The Area Assistance Scheme is a worthwhile Government initiative which provides good value for money to the Government, to local communities and to the people of NSW as a whole, in both direct financial and indirect or non-financial ways.

2. The Area Assistance Scheme is unique. It is consistent with other Government priorities such as Strengthening Communities and Social Justice, and it is consistent with DUAP's goal of achieving liveable communities. However, it is the only Government grants program focused on supporting community self help across the broad spectrum of community infrastructure.

3. The Scheme has widespread community support. It is also well established in the areas in which the Scheme operates and in these areas the regular consideration of community infrastructure needs by local people constitutes a source of experience and practice which is valuable and should be built on.

4. In the interests of equity, social justice and community wellbeing, a Scheme which fosters community self help and promotes community infrastructure should not be confined to one geographic part of the State.

5. The changes made to the Scheme in the last three years on the basis of the findings of the last triennial review have been appropriate and conscientiously undertaken. The way is now open for the Government and the Department of Urban Affairs and Planning to build on these changes.

6. The Scheme is directly relevant to the core business of the Department of Urban Affairs and Planning, and more directly related to this Department's responsibilities than to those of any other State Government agency. DUAP should continue to manage the Area Assistance Scheme.

7. While local councils have had a key role to play in the Area Assistance Scheme, most local councils are not strongly engaged in community self help to improve community infrastructure. It is in the interests of local government authorities to be more active in this area and they should be assisted to do so.

8. 'Pick up' funding is an essential component of the Scheme and should be continued at least at its present level.

9. The resources currently allocated by Treasury to the management and administration of the Scheme by the Department of Urban Affairs and Planning are inadequate even for the current operation of the Scheme.

The Area Assistance Scheme has been in existence for 20 years. Without needing to set up a new Scheme, the State Government has at its disposal a mechanism which has gone through its teething problems and is ready and available to be refined and extended both to the rest of the State and to some areas of community infrastructure which have received relatively little attention to date.

Part 1: Introduction to the Review

Introduction

The Area Assistance Scheme (AAS) is a NSW Government grants program which has been operating since 1979. The Scheme is administered by the Department of Urban Affairs and Planning[2] (DUAP). The Scheme was initiated in the Western Suburbs of Sydney, where rapid urban growth had not been matched by the timely provision of community facilities and social services. At its inception, the role of the Scheme was to bring forward the provision of essential community facilities and associated services and cut the time lag being experienced in new suburbs regarding the provision of these. An associated role was to gain access to the views of local residents by making the program submission based. The Scheme was strongly supported by the Western Sydney Regional Organisation of Councils and existing community organisations in the region.

At the outset, therefore, the aim of the Scheme was to fill gaps and to bridge delays in service provision. All non-capital works projects funded were intended to be picked up by other Government agencies, and thus the Scheme had the reasonably overt intention of encouraging these mainstream providers to redirect their priorities and resources to new areas of high need. The Scheme began as a three year program expending $1 million per annum.

The relative success of the Scheme in redirecting funds and priorities led to calls for the Scheme to be expanded to other urban areas with high levels of growth in the State which could similarly be shown to be experiencing social stress and where the provision of community facilities and services was not matching settlement patterns.

In 1985, the Scheme was expanded to the then Department of Planning's Hunter, Central Coast, Illawarra and Macarthur Regions and in 1991 to its North Coast Region and the Scheme's annual budget was increased to $6.7 million, not including enhancements for projects picked up by other departments. Since that time both the duration of projects and the size of 'pick up' enhancements have been curtailed and the annual budget has been capped at $9.2 million for 1999/2000 and $10.5 million thereafter, amounting to a significant decrease in overall provision.

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2. Since this report was written, the Department of Urban Affairs and Planning has been renamed Department of Planning and operates as PlanningNSW. Throughout this document references to 'the Department' are to DUAP, which is now PlanningNSW.

Over this 20 year period, a number of other important changes have also taken place. Since 1987 the Scheme has been subject to triennial reviews, of which this report is one. The Reviews of 1987, 1990, 1993 and 1996 all recommended the continuation of the Scheme. Implementation of some of the recommendations of these Reviews has resulted in greater focus on the grant application, assessment and recommendation processes. Most recently a set of Area Assistance Scheme Policy and Procedure Guidelines has been produced by the Department to assist people prepare submissions for funding, and a number of initiatives undertaken to make the process more efficient and accountable.

The Scheme currently operates with a two tier assessment process:

- initial ranking of submissions by Local Ranking Committees, one committee in each of 52 local government areas covered by the Scheme, and

- assessment and recommendation by a Regional Advisory Committee in each of the regions where the AAS operates.

The local ranking and regional recommendation processes are undertaken within a broad framework of needs assessment and priority identification carried out at local and regional levels by these committees. It is these local and regional processes, along with the submission driven nature of the Scheme, which make up its grass roots structure.

The whole process is supported by a Community Project Officer (CPO) in each Council in the regions to which the AAS applies. These CPOs' salaries are partly funded by the AAS. The CPOs are in turn supported by one AAS Regional Coordinator in each DUAP Regional Office and a Program Manager and a small Administration Unit equivalent to two full time staff in DUAP's Head Office.

While procedural refinements have been underway, the Scheme has been under a different kind of review for at least the last 10 years. Not surprisingly, some Government providers have not rejoiced in a process in which their planning and priority setting has been challenged or distorted. As well, the financial implications of a Scheme in which one department starts new projects to be picked up and funded indefinitely in others, always meant that this aspect of the Scheme would eventually be curtailed.

In 1991, although the Scheme's annual budget was increased to $6.7 million, a new category of funding was introduced that limited the majority of recurrent 'pick up' projects to a six year term, generating a significant saving in budget enhancements that would have been provided after the six years. By 1998/9, most projects had been limited to a maximum four year term (to ensure new projects could be funded) and the quantum of 'pick up' funding had been set at $450,000 per annum or 13% of new projects in the 1999/2000 funding round. As well, in 1999/2000 DUAP's budget for AAS administration was reduced from $760,000 to $500,000 per annum. The net result of these changes is a reduction to AAS funding levels by $5.6 million in this financial year.

These pressures over the years have increasingly redirected the Scheme away from projects designed to fill the gap till full service delivery from a mainstream Government agency could be provided 'pick ups', to those whose aim is to develop community social capital and self help capacity. By 1998/9, the bulk of the AAS funds, 59% (and 70% in 1999/2000), were

being expended in the Community and Service Development (time limited) category and intending applicants were being advised that 'funds cannot be allocated to projects that:

- provide on-going services such as counselling, family support or youth drop-in centres
- provide services that are clearly the responsibility of local councils or other State or Commonwealth agencies'.

Funds are still available under the Community Resources (Capital) funding category of the Scheme (37% of expenditure in 1998/9 and 17% in 2000) for buildings and other physical resources that will 'increase and improve facilities needed for social and community development', but only if these are not going to be used 'to establish, renovate or refurbish facilities that are clearly the responsibility of local councils or other Government agencies, or are more appropriately established through S94 plans, among other considerations.

The only exception to this is the $450,000 earmarked for 'pick up' funding. This pool of funds continues to be used to fill gaps in services to which the 'pick up' agencies have agreed in advance.

The reduction in 'pick up' funding over the 20 years is reflected in the 1999 Guidelines which, among other things, restated the purpose and funding criteria of the AAS. In these Guidelines the objectives of the Area Assistance Scheme are set out as:

- 'To identify community issues;
- To develop and implement programs that help prevent problems related to social stress or urban growth and change;
- To develop new and innovative ways of addressing identified priority needs and issues;
- To promote coordination between Government agencies, councils, community organisations and, in some cases, the private sector to:
  – plan for and address changing community needs
  – improve the quality of and access to existing services and resources;
- To improve the capacity of, and opportunities for, local communities to:
  – identify their needs and issues
  – plan for social programs that address their needs
  – develop, implement and manage programs that address their needs.'

At the same time the Scheme has also been affected by the search for savings and efficiencies which have been part of Government budgeting since the early 80s. In 1991 the then NSW Government sought, unsuccessfully, to close the Scheme down. In 1998, the Scheme was, among a number of grants programs, subject to a review by the Council on the Cost of Government, and this year, 2000, the Scheme is to be reviewed twice – in this report as well as in the Grants Administration Review being conducted by the NSW Premier's Department. Other reviews have included an internal Audit of the Central Coast 1997/1998 AAS Funding Process, and an internal Grants Administration Review in 1998.

Meantime, throughout the last 10 years, assessment of the Scheme by local councils, community organisations and non-government service providers has been relatively consistent and favourable. The consistency of the responses of these organisations to the risk of closure should be seen as another form of review. Of course, these organisations have an interest in this matter, but then so too do the proponents of cost cutting and discontinuation. It is beyond the brief of this Review to detail the history of the Area Assistance Scheme.

However, the broad patterns of its history are instructive and set the context for the terms of reference of this Review.

This Review is required to focus on two questions:

- 'the fundamental rationale for the Scheme and its relationship to other relevant grants programs, and

- in the light of 1 (and if the conclusion is that the Scheme should continue in some form), the appropriateness of the changes which have been made to the Scheme since the last triennial review and strategic directions for the future of the Scheme.'

Among the wider issues affecting the Scheme's rationale and focus, the terms of reference suggest consideration of:

- 'urban and regional development trends and associated pressures on community resources;

- trends in Government and local councils in terms of support for community development/ community strengthening initiative;

- relevant developments in other grants programs; and

- the impact upon the program of the changes previously made to arrangements for 'pick up' funding';

- whether the Scheme has any features and 'added value' which distinguish it from other related grants programs; and

- the regions to which the Scheme has been and should be applied.

In regard to the second main term of reference, the Review is to examine:

- 'the outcomes that the Scheme has achieved over the past three years

- the appropriateness of the direction in which DUAP has been taking the AAS

- whether the Scheme is best administered by DUAP or another agency

- priorities/models for future program management

- the role of local government in the administration of the Scheme

- required resources of program management assuming 'best practice' grants management benchmarks, and

- effective models for allocating resources across the regions covered by the Scheme.'

This Review has been conducted so as to focus on the fundamental issues raised by the first term of reference while also collecting data to inform an examination of the detail of the Scheme under the second term. The methodology is set out in the next section.

Methodology

This Issues Paper has been informed by data collection and assessment of the material collected.

Data collection

The Review has used four principal methods of data collection, namely:

- collection and review of previous Reviews of the Area Assistance Scheme, and other relevant reports and documents, provided by both the Department and by Stakeholders,

- consultations with currently funded organisations, other peak community organisations, Community Project Officers, the Regional Advisory Committee(s) in each region covered by the AAS, the Director General and other officers of DUAP as well as representatives of key human services line agencies,

- three short questionnaires, one completed by currently funded organisations, one completed by Community Project Officers and one circulated to all local government authorities in NSW,

- review of submissions received from individuals and organisations, especially those invited to the consultations.

A summary of the outputs from the regional consultations is presented at **Attachment 1**.

The Community Project Officer questionnaire and an analysis of the results may be found at **Attachment 2**.

The questionnaire completed by currently funded organisations and an analysis of the results may be found at **Attachment 3**.

The questionnaire circulated to all councils in NSW is set out in **Attachment 4** along with an analysis of the results.

Submissions received from a number of community organisations and local councils were also analysed. The list of people and organisations forwarding submissions to this Review is at **Attachment 5**.

Assessment

The assessment of all this information has been undertaken in an iterative process. As issues have been raised and ideas have been generated, either by the consultant team or by key stakeholders in Sydney or in regional areas, these have been included in the list of issues discussed and have been, in some cases repeatedly, examined, refined and reconsidered through consultation and feedback processes. The assessment has also been informed by the experience of the consultant team in managing grants funded community programs as well as Government programs and new initiatives, and by recent research findings in Australia and overseas.

Area Assistance Scheme fund structure and distribution

In the 1999/2000 financial year, the total AAS budget was $9.2 million. This was distributed as follows:

- Grants for continuing and new projects $8,160,000

- Subsidies to local councils for the Community Project Officer positions $531,500

- DUAP employee and operating costs $500,000

AAS funding is available to applicants across the designated AAS regions, and is distributed between these regions on a per capita basis.

The 1999/2000 AAS grants funding was distributed across the following regions as follows:

AAS REGIONS	TOTAL AAS REGIONS	WESTERN SYDNEY	MAC-ARTHUR	HUNTER	CENTRAL COAST	ILLAWARRA	NORTH COAST
ACTUAL % OF POPULATION	100.00%	43.16%	6.54%	16.81%	8.19%	11.29%	14.01%
CPO SUBSIDY	$531,500	$120,000	$31,500	$145,000	$21,000	$52,000	$162,000
EXISTING GRANTS COMMITMENTS	$5,783,737	$2,770,255	$403,246	$683,815	$312,377	$767,899	$846,145
NEW PROJECTS APPROVED: 2000 FUNDING ROUND	$3,529,490	$1,327,968	$244,194	$699,847	$464,596	$292,214	$500,653
TOTAL ALL GRANTS	$9,313,209	$4,098,223	$647,440	$1,383,662	$776,973	$1,060,113	$1,346,798
TOTAL ALL GRANTS AND CPO SUBSIDY	$9,844,709	4,218,223	$678,940	$1,528,662	$797,973	$1,112,113	$1,508,798
ACTUAL PER CAPITA SHARE OF FUND	100.00%	42.85%	6.90%	15.53%	8.11%	11.30%	15.33%

The distribution of each category of new project funding approved as part of the 1999/2000 funding round is shown in the table below.

AAS REGIONS	TOTAL AAS REGIONS	WESTERN SYDNEY	MAC-ARTHUR	HUNTER	CENTRAL COAST	ILLAWARRA	NORTH COAST
COMMUNITY RESOURCES (CAPITAL), ONE OFF GRANTS	$587,971	$75,579	$5,000	$253,195	$65,342	$95,223	$93,632
COMMUNITY & SERVICE DEVELOPMENT (1-4 YEAR PROJECTS)	$2,491,501	$1,073,733	$172,858	$382,287	$364,611	$161,991	$336,021
LONG TERM SERVICES 'PICK UPS'	$450,000	$178,656	$66,336	$64,365	$34,643	$35,000	$71,000
TOTAL	$3,529,472	$1,327,968	$244,194	$699,847	$464,596	$292,214	$500,653

The general profile of the new projects approved in 2000 is as follows:

- The vast majority of funding is now allocated to community and service development projects (70%); this is an increase from 59% in the previous year; 17% was allocated to community resources (capital) projects and the remaining 13% to long term services ('pick up').

- Projects generally identified more than one funding purpose. Those that were most often stated included: community empowerment, training, education and information (17%); community resources and facilities (17%); research, planning and coordination (11%); demonstration, service development and prevention (13%); support and casework (10%);

access and equity (9%); organisational development, administration and management (9%). The most noteworthy shift from the 1999 funding round is the reduction in resources allocated for support and casework, down from 16% to 10%.

- The organisation type that attracted the largest portion of funding was local management committees and groups with 77% of the funds, an increase from 63% from the previous funding round. Local councils attracted 10% of the funding, a reduction from 16% in 1999, and registered charities and church bodies attracted 7%, a reduction from about 13% in 1999. Other types of organisation accounted for 6% of the funding.

- Most projects identified more than one target group. Of the total amount of funding approved, 29% of funding distributed targets young people (13-25), 18% targets families, 12% targets Aboriginal people, 11% targets children (0-12), 9% targets women. People of non-English speaking backgrounds, the ageing and people with disability each attracted 7% of the approved funds. A small portion of funding (2%) was for projects that specifically target men. A number of other target groups were also identified.

- Many projects also identified specific groups in the community as a focus for project outcomes. The groups most often identified were new urban communities, rural communities, socially stressed, victims of violence, those at risk of offending and the unemployed.

- By far the largest proportion of funding (68.5%) was targeted to local projects that either focused on a neighbourhood or a specific local government area. The rest was for regional projects (20.5%) and sub-regional projects that targeted usually two to three LGAs (11%).

In the 2000/2001 financial year, the funding level for DUAP administered projects (ie not those picked up by other departments) is expected to level out at about $9.5 million. This consists of approximately $6 million in existing commitments for grants approved from previous funding rounds and $3.5 million in funding for new projects. This will bring the total budget for the AAS to $10.5 million.

The impacts of the changes to the Scheme's structure in 1991 and 1998 are set out in two tables at **Attachment 6** which show annual funding levels and the amount of AAS enhancement to other agencies since 1991/2. The tables show that as a result of limiting the duration of projects initially to six years and more recently to four years and capping the amount devoted to 'pick up' projects to $450,000, $68 million[3] will have been withdrawn from the Scheme by 2004. In the current year, 1999/2000, this has meant, for example, that instead of $31.960 million being committed to the Scheme, this amount is $26.300 million, a saving to the Government of $5.6 million.

At the same time, the proportion of the fund administered by DUAP has increased as a result of the changes to the structure of the Scheme, particularly the reduction in 'pick ups'. Whereas under the old system DUAP would have continued to administer $6,760 of AAS funds each year, it now administers $9.2 million this year, rising to $10.5 million next year. Despite this, the amount allocated to DUAP to administer the fund has declined from $760,000 per annum to $500,000 per annum. The level of grants to local councils for administration of the Scheme ($531,500 worth of contributions to CPO salaries) has remained static. This indicates the declining value of the grants to local councils (the contributions to salaries is not indexed or linked to award rates). In the case of DUAP, however, the cut to the amount of the fund utilised for the management of the Scheme amounts to a very significant loss in terms of number of staff and their hours.

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3. This estimate does not include Treasury enhancements for projects funded before 1991.

Part 2:   The rationale and focus of the Area Assistance Scheme

An examination of the fundamental rationale of the Area Assistance Scheme is set out in this part of the report through an examination of a series of issues which affect this central question.

Value for money

The history of the AAS suggests that a primary concern about the program, at least from the point of view of Treasury and others who have felt that the program challenged or distorted their programs and priorities, is whether the program delivers value for money.

Implicit in this question is the idea of a benefit-cost analysis and the query as to whether such an analysis would show that benefits justify costs, or preferably that benefits dwarf costs.

It is noteworthy that such an analysis has never been undertaken. Neither the Department nor Treasury has done a cost-benefit analysis nor a social impact assessment. In their place is a history of assertion and counter-assertion. Some central agency stakeholders advised the consultant team for this Review that they continued to be concerned about the relative value for money of the program. At the same time, the Scheme has a history of community action in its defence.

It seems that there are a number of reasons why a benefit-cost analysis has never been done and these reasons (which will be explored later in this part of the report) are significant. However, there also appears to be no reason why such an analysis should not be attempted, particularly as part of a review of the fundamental rationale of the Scheme. Accordingly, this part of the report begins with a broad analysis of the relative value for money of the Scheme.

The following matrix has been used to prepare a high level cost-benefit analysis.

Cost benefit matrix[4]

	NON-FINANCIAL BENEFITS OF AAS	FINANCIAL BENEFITS OF AAS	NON-FINANCIAL COSTS OF AAS	FINANCIAL COSTS OF AAS
Costs and benefits to the individual				
Costs and benefits to local communities and the State				

The advantage of this matrix is that it directs attention to the full range of costs and the full range of benefits that accrue from a community program or service such as the AAS. In particular it allows non-financial costs and benefits to be considered along with financial costs and benefits. As the analysis below will show, these non-financial costs and benefits can be considerable and important.

At the same time, the matrix ensures that costs and benefits are considered for individuals as well as for local communities and for the State. This ensures, for example, that the financial and non-financial contributions that individuals make to the running of AAS projects are taken into account.

In addition, the financial costs to Government can be seen in the context of financial costs incurred by other public agencies, such as councils, community groups, private foundations and companies. As well, financial and non-financial benefits of the Scheme can be shown to accrue to local communities and the State as a whole as well as to individuals.

The following cost-benefit analysis has been compiled using qualitative material gathered during the assessment of relevant reports and the consultations for this Review and quantitative material from the questionnaires completed by 134 currently funded organisations. These organisations represent 45% of all currently funded organisations in 1999/2000.

Non-financial benefits of the Area Assistance Scheme

Non-financial benefits to individuals

The Area Assistance Scheme funds capital works and community developmental projects and seeds community service start ups which benefit individuals by:

- meeting shortfalls in community service provision in high growth areas, so that individuals in these areas are able, for example, to get transport to hospital, find the support and counselling that they need, obtain information and referral, and obtain advice and assistance that they would otherwise not be able to access,

- helping people establish social/support/mutual aid networks, promoting social interaction, providing people with someone to talk to, fostering self esteem and self confidence, helping overcome isolation, promoting a sense of belonging – all of which help promote individual mental health,

- providing the means whereby individuals who perceive a need in their community have a structured opportunity to develop locally based responses to that need to which they can contribute their energy, goodwill and inspiration,

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4. Copyright the Public Sector Research Centre and Australia Street Company.

- offering individuals opportunities for skills development either through project related administration and management requirements, or through participation as a client of a project – projects can act as a stepping stone to further education, assist members of minority groups to access mainstream programs, encourage self development and self empowerment,

- providing opportunities for people to develop creative/artistic skills and to enjoy leisure activities and cultural programs, for example providing time-out for parents through leisure and creative activities and through childminding,

- promoting non-judgemental acceptance and a sense of validation in the community of individuals with special needs or who are members of minority groups.

Non-financial benefits to local communities and to the State

The wide range of individual benefits accumulate as benefits to the community through:

- the provision of a structured and consistent opportunity for community self help which encourages and supports local organisations to review local needs and priorities in a collaborative process, improves the skills and knowledge base of the community, and enhances its sense of a capacity to act. In brief, this is the empowering effect of a grass roots process enhanced by a framework which sets some parameters for good practice and sustains momentum by taking place year after year,

- the provision of a basic social and community infrastructure (in both physical and non-physical terms) in towns, villages and neighbourhoods which would otherwise not have this basic infrastructure for many years,

- the development of social capital viz. the dense, horizontal networks, sense of optimism and mutual trust which effective grass roots programs can generate by harnessing the capacity of a neighbourhood, town or local government area to generate local solutions to local problems using local resources such as volunteer time, skills, local networks and fundraising capacities,

- developing the capacity of councils to work with local community organisations in regard to sharing information, developing a shared understanding of the needs and priorities of a local area and achieving an agreement about priorities for the improvement of social wellbeing in council areas and in regions,

- helping to create healthier communities by providing locally based programs which meet people's social as well as economic and health needs and which thereby encourage a sense of inclusion,

- providing an opportunity to deal with local social issues before crisis point, for example by providing desperate carers and parents with timeout, respite and a safe place to go to for relief, to share a problem, to get a better perspective and to obtain advice, support and referral,

- helping reduce instances of domestic violence, child abuse, youth suicide, crime and vandalism in local communities through support, inclusion, referral and time-out, and also improving levels of care given to homes and gardens,

- increasing the number of vehicles for information dissemination, for example for tenancy information, tax help, Department of Housing information and Centrelink services.

Financial benefits of the Area Assistance Scheme

Financial benefits to individuals

Many AAS programs offer individuals free or inexpensive access to such things as child health services, parenting advice, women's clinics, tax return assistance, advice and referral of all kinds, self help support meetings (eg Gamblers Anonymous, Deaf Support Group), domestic violence prevention groups, computer use, internet access and, in some cases, food and emergency relief.

Neighbourhood/Community Centres specifically also offer individuals access to low cost TAFE courses, other education courses, small business start up courses and support services, leisure and creative activities, childcare and childminding, playgroups.

Financial benefits to local communities and to the State

The regions covered by the AAS experience a number of significant financial benefits from receipt of AAS grants. Based on questionnaire data collected specifically for this Review (see **Attachment 3** for data and calculations), these can be identified as:

- 80 full time and 318 part time jobs at a financial benefit to local communities of some **$11,040,000** per annum.

- The number of volunteer hours contributed each year through AAS projects is in the order of 320,208 per annum which, at $15[5] per hour, amounts to some **$6,187,680** worth of donated time which is made available to the State.

- In addition, volunteer time on AAS management committees is conservatively estimated at 76,000 hours per annum which, at $15 per hour, amounts to **$1,140,000** worth of donated time.

- The number of volunteer hours contributed annually on Local Ranking Committees and Regional Advisory Committees is, conservatively, 5,000 per annum which, at $15 per hour amounts to **$75,000.**

- AAS funded projects often also bring in other government, council or private sector funds as contributions to the funded project. Research for this report estimates other grant inputs to current funded projects as some **$2,132,264** from State and Commonwealth Governments. Many of the grants are recurrent. Fundraising, fees and charges and private sector sponsorship contributions amount to some **$471,730**. In addition, the AAS has encouraged the 52 local councils covered by the Scheme to make donations to currently funded projects in the order of **$287,614** per annum. In many cases these donations represent a redirection of expenditure to community services which would not otherwise have occurred. The total of these grant and sponsorships amounts, some **$2,891,608**, is in effect additional public monies entering local communities.

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5. $15 was the rule-of-thumb value accorded to an hour of volunteered time at the time this Review commenced. Since that time, research for the International Year of Volunteers has led to a widely accepted view that 'the economic value of volunteering is calculated using an average hourly wage rate.' See: Institute of Volunteering Research, 2001, The Economic Value of Formal Volunteering. On this basis, the $15 an hour used for the above calculations is very conservative and may understate the financial benefits identified.

- Some AAS projects generate employment and small business development through: employment of local tradespeople and cleaners, purchase of goods locally, provision of free advertising space in newsletters to small business/micro enterprise, provision of work for tutors/course leaders, skills development for volunteers, providing start up opportunities/ skills practice for some small businesses (eg childcare), providing events businesses with opportunities for work. Even if these benefits were only to amount to $200 per funded project, this adds another **$600,000** to the annual financial benefits of the Scheme.

- Conservatively, the sum of these direct financial benefits to local communities is therefore ($11,040,000 + $6,187,680 + $1,140,000 + $600,000 + $75,000 + $2,891,608 = **$21,934,288**). This figure relates to AAS projects currently funded and administered by DUAP as no information about jobs, volunteer hours etc is available for projects which have been picked up.

- In addition, both local communities and the State benefit from the effective financial donation contained in unreimbursed costs incurred by paid and unpaid workers for petrol, telephone, wear and tear on private motor vehicles, catering contributions etc.

- The presence of a basic social infrastructure, funded over the years by the AAS, helps to give places an attractive lifestyle, promotes local pride and sense of identity and helps market the area to both tourists and intending new residents.

- Money is also saved due to presence of a stopgap in terms of basic community networks and services, ie savings in the costs of dealing with the impacts on the community of mental and physical ill health, crime, educational under-achievement, lost employment and business opportunities, low levels of income in large parts of the State. There are financial benefits to the State from intervening in such matters as levels of depression, aggravation, conflict and confrontation arising from people's desperation or ill health and/ or from people with no ready, structured or safe outlet for the issues, concerns and ideas they want to express. Cumulatively, these create serious social problems which the State is then called upon to address through its Health, Child Protection, Aged and Disability and similar initiatives. Few studies have sought to quantify the nature of these benefits in dollar terms because of the complexity of the relationships involved and the analysis required. However, it seems safe to say that these costs are very substantial and the costs of prevention are less than the costs of repair – some suggest that the saving is in the order of $7 for every $1 spent[6].

Non-financial costs of the Area Assistance Scheme

Non-financial costs to individuals

The competition for AAS funds and in particular the tendency of applicants to set their budget using the lowest end of relevant salary scales, minimum or no allowance for annual increments, and minimum or in some cases no allowance for the administration of the project, means that many of the non-financial costs to individuals of AAS projects are borne by the paid staff, many of whom also work part time and in this respect are under-employed.

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6. Since this report was completed, new research suggests that the saving is more in the ratio of 10:1. See Stephen Scott, Martin Knapp, Juliet Henderson and Barbara Maughan, 2001, Financial cost of social exclusion: follow up study of antisocial children into adulthood, British Medical Journal, vol 323, 28 July, 101-194.

These staff may experience:

- pressure to give unpaid time to the project and undertake professional self development and keep up to date with advice and referral issues in unpaid time,

- stress from the personal toll of dealing with people's personal problems for much of their working day, especially when this is only one role and one responsibility of their job,

- pressure to make the project a success on a very tight budget and to do more and more with less and less because salaries and other sources of funds are not keeping pace with the cost of living, and do not necessarily rise when project attendance and activity rises – even though these are indicators of success,

- pressure due to taking other part time work in order to make ends meet, or from the stress of worrying about how to make ends meet,

- stress from feeling that the work they do is undervalued and their job is insecure,

- among those who are front line workers, stress and frustration when other agencies are unable to respond to requests for urgent referral, counselling and assistance.

At the same time, AAS requirements for accountability and reporting must be dealt with within paid hours, while work to find funding for follow on projects or for a new application has to take place in unpaid hours. Stress due to these reasons takes its toll on individuals' health and family life. Some volunteers experience similar non-financial costs.

Non-financial costs to communities and to the State

By contrast, the non-financial costs to local communities of the Area Assistance Scheme are those of effort and endeavour. Concerted effort, sustained endeavour and continuing goodwill are needed to:

- provide leadership and support to identify and prioritise local community needs to which the Area Assistance Scheme could be addressed,

- develop and sustain a bank of volunteer capacity, including those taking on roles such as honorary treasurer and secretary of incorporated community associations,

- provide the leadership that will encourage community support for projects and programs that meet needs which are hidden, or not obvious to majority group members.

In some cases maintaining the agenda for community benefit requires courage to confront local vested interests, derision, apathy and the weight of past decisions. This is not just an individual matter. It could mean, for example, that an organisation such as a council had to set more time aside to think through some difficult issues, deal with interest-holders and find a way forward that will have broad local acceptance.

Financial costs of the Area Assistance Scheme

Financial costs to individuals

Individual financial costs are incurred by some participants in AAS programs who pay

- fees and charges to attend some activities,

- for public transport, petrol and/or childcare costs to attend a service or program,

- contributions to the program through membership fees, supporting fundraising events and donations.

Paid and unpaid workers incur personal financial costs arising from non-reimbursed use of their private telephones, motor vehicles, stationery, computer and internet access, photocopying, and by paying for catering contributions, fundraising expenses, childminding and childcare costs and buying their own raffle tickets etc at fundraising events. These non-reimbursed expenses cannot be claimed as tax deductions.

Paid workers also incur financial costs of unpaid overtime, medical costs due to stress and self financed training.

Financial costs to communities and to the State

The financial costs to the State are the costs of the fund itself, $9.5 million in 1998/1999, $9.2 million in 1999/2000 and $10.5 million in 2000/2001, as well as the costs of other grants provided through other NSW Government departments and agencies.

The financial costs to local communities are those of financial contributions made by organisations matching AAS contributions or adding a financial contribution to a project for example through sponsorship.

For example, some councils contribute to AAS projects in one or more of the following areas: building construction; building maintenance; grounds maintenance; garbage collection; utilities; cleaning; wages; administration/office supplies etc; printing and paper; insurance – building/contents/workers compensation/public liability; audit costs.

Auspice organisations such as incorporated community associations or other NGOs often, in effect, contribute a portion of their wage bill through their contribution to administration, developmental advice and assistance to project staff. Some NGOs also contribute to the Scheme through their building maintenance; grounds maintenance; garbage collection; utilities; cleaning; wages; administration/office supplies etc; printing and paper; insurance – building, contents, workers compensation, public liability; audit costs, provision of use of a car or other transport.

Implications for the Area Assistance Scheme

This benefit-cost analysis is indicative of the kinds of quantitative and qualitative outcomes which could be assessed in a more detailed benefit-cost analysis. While it is not possible to arrive at a definitive ratio, it is clear in weighing up the benefits and costs of the Area Assistance Scheme that the benefits are substantial and the costs relatively contained. At the least it can be shown that the **$9.5 million** expended by DUAP in 1998/9, generated **$21,934,288** of direct financial benefits to local communities. It is also widely held that the State saves money through the prevention impacts of the Scheme and gains much more from this and from the positive benefits of improved community functioning than it expends in direct financial terms.

In other words, the benefits of the AAS to local communities, and cumulatively to the State, far outweigh the costs to either local communities or to the State. The Area Assistance Scheme is a worthwhile Government initiative which provides good value for money to the Government, to local communities and to the people of NSW as a whole in both direct financial and indirect or non-financial ways.

For the purposes of this Review, the benefit-cost analysis also provides some important insights. It demonstrates that the contributions made by the State to various community service and community development projects are of a different order to the contributions made within the recipient community, for example:

- While the State contributes the equivalent of 6.6 full time positions to manage the Scheme, community organisations which put the Scheme into effect contribute in terms of time and unreimbursed costs to make the various projects work or come to fruition. The relative effort involved cannot be compared.

- The financial contribution of the State to the Scheme is a tiny portion of the State's annual budget – expenditure of $9.2 million on the AAS for 1999/2000 is a mere 0.034% of the State's total recurrent expenditure for the same year. From the point of view of many recipient communities, however, the amount received is a much more significant portion of what is being contributed to their social service infrastructures.

The same kinds of contrasts exist in the benefits accrued.

- The State benefits from impacts of AAS projects such as savings to other Government agencies in welfare and policing and reinvigoration of local economies, the extent of which is difficult to measure and so seems intangible.

- Local communities, on the other hand, experience a reduction in helplessness and frustration, a shift from waiting for service provision which never seems to arrive to the much more empowering experience of doing something about it. That this impact is also difficult to quantify does not make it any the less real. We all know, for example, the huge difference which leadership makes to the economy, race relations and cultural vitality. The same sorts of impacts are also felt locally.

This difference in the order of costs and benefits for the State and for local communities is not merely a difference in perspective. It is a difference of size, relative importance and personally felt impact, the difference between what is a tiny part of the State agenda and a big part of the local scene.

It is this which accounts for part of the history of the Scheme, the ease with which central agencies can seek to close the Scheme down compared with the level of the outcry every time they try.

At the same time, from the point of view of public administration, there is a curious lack of fit between frequently heard remonstrations against welfare dependency and calls for people to take the initiative in their local community, and the level of attention and resources given to one of the few, possibly the only, NSW grants programs to provide structured support for grass roots community self help.

All these factors strongly suggest that the value of the AAS has not been sufficiently recognised. Both the direct financial benefits to the State and the very substantial but less measurable benefits to local communities appear to have been consistently underestimated.

This has resulted over the years in a pattern of financial allocations to the Scheme which does not reflect the benefits that the Scheme delivers. This can be seen in the Scheme's financial restructuring (described above) which will by 2004 have reduced the total amount available to the AAS by some 20% or $68 million, despite the increase in population in the

areas covered by the Scheme. Undervaluing of the Scheme can also be seen in the way in which funding for the administration of the Scheme by DUAP has been cut even while both the dollars to be administered and the number and size of local communities to which they are to be applied have increased.

The policy framework

The AAS started out as a pilot program to fix a specific problem in Western Sydney, and it began life as a form of advanced budget allocation. The funds were in effect enhancements to main agency budgets, such as the then Health Commission and Department of Youth and Community Services, that were to be channelled for the first few years through the Department of Planning which was occasioning the development of the new areas in which these services were required.

As noted in the Introduction, various features of this start up meant that it would inevitably be open to challenge, as indeed it was. Over the years, the Department of Urban Affairs and Planning has shifted the objectives for the Scheme to take account of the whittling away of the 'pick up' funding and various objections from key service agencies about how projects started up under AAS did not necessarily meet their planning objectives or service standards. The funding criteria are now, as noted in the Introduction, replete with statements about what will not be funded because it is the responsibility of another agency. Councils have also been scooped into this net.

The Department has worked hard to create a coherent framework for the Scheme which responds to these pressures and also to the recommendations of the 1996 Triennial Review[7]. The 1999 Guidelines set up a new funding structure that defined three broad categories of funding:

- Community resources (capital), with the purpose 'to increase and improve facilities needed for social and community development',
- Community and service development, which aims to develop and pilot innovative programs, build community capacity through training and education programs, promote coordination, address service access and equity barriers, and conduct practical research,
- Long-term community services 'pick up' which aim to fill gaps in community services.

The Department also introduced a set of criteria against which funding applications were assessed to reinforce the new funding structure. Among other things, these criteria emphasise that projects should be consistent with AAS objectives, address regional priorities and complement other services and programs in the region. All these initiatives aimed to shift the focus of the Scheme further away from mainstream service deliverers' territories. The recent list of approved projects appears still to be somewhat on the fringe of the other agencies' territories, however there is always a timelag between the promulgation of new funding structures and criteria and their effective implementation.

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7. Which noted inter alia that the 'AAS has funded projects which could have been funded by other programs and it is at risk of losing its innovative focus' and recommended that 'the Scheme needs to refocus its purpose to have a stronger focus on improving planning, liveability and well rounded communities'.

The other cause of this apparent timelag effect lies in the 1999 Policy and Procedure Guidelines document itself. While it does have a strong funding structure this does not sit within a strong policy framework except as this may be interpreted implicitly from the funding criteria and from the overall objectives:

- 'To identify community issues;

- To develop and implement programs that help prevent problems related to social stress or urban growth and change;

- To develop new and innovative ways of addressing identified priority needs and issues;

- To promote coordination between Government agencies, councils, community organisations and, in some cases, the private sector to:
  - plan for and address changing community needs
  - improve the quality of and access to existing services and resources;

- To improve the capacity of, and opportunities for, local communities to:
  - identify their needs and issues
  - plan for social programs that address their needs
  - develop, implement and manage programs that address their needs.'

These objectives are somewhat repetitious, and seem to have missed their mark. Their main quality seems to be that they are unobjectionable rather than that they carry strength and conviction about the role of the Scheme in DUAP's activities, the role of the Scheme in community development or the way in which this Scheme uniquely sets out to achieve something of signal benefit to local communities in NSW.

This outcome has arisen, not because the Scheme lacks the opportunity or rationale for a strong policy statement, but only because the Scheme has been on the back foot from the lack of prior policy articulation and from its past incursions into mainstream service deliverers' territories. The Government's platform on Strengthening Communities and Social Justice now provides the context and support for articulation of this policy framework.

Implications for the Area Assistance Scheme

The problem with the current set of objectives is that they are open to a range of policy interpretations and, while a bit of flexibility in interpreting policy may often be a good thing, in this case what is missing is a statement about the program's fundamental reason for being as well as the justification for its longterm continuation, the outcomes it is meant to achieve, and enough information to act as a *policy* framework for such issues as how long individual projects should run, what the funding parameters should be, what the decision mechanisms should be and so on. While the procedures have much to commend them, and this view is endorsed by many AAS stakeholders, they exist in a policy limbo.

Because policy positions around such key concepts as community self help and community infrastructure have not been fully articulated, the set of constraints on the mechanisms of the program has gradually shifted into something of a negative mode and the fundamental tension between the top down (mainstream service deliverers) and bottom up (community) determination of what is important to a local area has been managed by trying to keep the community out of top down service deliverers' territories.

The absence of a policy framework has also meant that:

- the policy basis for community self help has not been articulated,

- the AAS is still seen as part of the social service provision function of Government (a sort of quasi-DOCS/Health/Ageing and Disability scheme) rather than being seen as part of the preventative role of Government,

- the potential outputs of the Scheme (community infrastructure) lack sufficient definition,

- there is little for the Government to endorse in *policy* terms,

- there is no basis for negotiating with other departments about the *benefits* of a tension between their service provision and grass roots initiatives, and

- there is no basis for arguing to Treasury or to Government that the Area Assistance Scheme meets what it sets out to achieve.

In many respects, therefore, the Area Assistance Scheme has made a transition from a main agency budget enhancement scheme to a community self help grants program, but the policy basis for this shift lags behind. There are many disadvantages in having community self help grants limited to what, in community development and sustainability terms, are very short terms. However, without a well articulated policy framework, it is virtually impossible to argue successfully the case for long-term community initiated grants, some of which quite legitimately complement or comment on what main agency providers do or intend to do. What is required, therefore, is the articulation of a well researched policy, some key points of which are outlined below.

Community self help

Community self help is a process which can contribute to outcomes which are important for effective functioning of neighbourhoods and other place-related communities such as small towns and villages. While these processes are diverse (for example they involve both formal and informal community activities), they all involve local people taking initiative and responsibility in order to achieve benefits in their communities. These benefits range from support, care and practical assistance to skills development, service delivery and economic benefits such as bulk purchasing, credit and loans.

It is the collective impact of these outcomes which fosters the effective functioning of neighbourhoods and communities. Sometimes these outcomes are referred to by shorthand descriptors such as transformed communities, resilient communities and liveable communities.

Delving into what these concepts might refer to, other concepts emerge, such as social capital, relative social and economic equality, social or community infrastructure, civic infrastructure, effective social systems and so on. These terms describe outcomes (as distinct from processes) that many social policy analysts suggest are characteristic of effectively functioning large and small place-related communities. There is, therefore, a lot to be said for supporting the processes which lead to these outcomes.

Community self help is only one process among the array of processes and resources that should be applied to strengthen, transform or renew communities.

An example of community self help is the Macarthur Older Women's Network which began as a socialising and support group for older women, funded by AAS, and moved on to become a fundraising and support group for a local hospital. Another example is the rebuilding of the Hanging Rock Community Hall by the local community which worked for 10 years to erect new stone walls before gaining an AAS grant to install the roof and floor. The Hall now functions as the local community centre.

By itself community self help is not sufficient for effective community functioning. Community self help is no substitute for good levels of public services or well integrated planning and delivery of services. It will not fix the tendency to build residential developments first and expect new businesses, residents and workers to work miracles second. It will not resolve the implicit criticism in strategies which seek to improve the look of a place before the social issues within it are tackled. It will not solve the problems which arise when theories, ideologies or fads (economic, social, etc) don't quite match the facts.

However, as the benefit-cost analysis shows, community self help is a necessary ingredient in community health and resilience because of its empowering effects and because it spreads the load between Government, other agencies and individuals.

In many respects community self help processes are similar to what is often known as community development. As modelled in the AAS, however, community self help is more structured and offers more in the way of financial support than most community development activities traditionally have. Community self help is also broader than community services development which is often part of the top down system of service delivery.

The recent UK Report of the Policy Action Team on Community Self Help[8] notes that community self help is 'crucially dependent on support from outside the community' but the critical dilemma is how to provide sufficient infrastructure and resources in ways which are 'empowering rather than stifling'.

The report suggests a set of principles of community self help are required which focus on such issues as:

- 'the need for community ownership;
- for people in communities to learn from their peers as well as from outsiders;
- for those facilitating self-help to build on what is already there rather than to create entirely new structures;
- for funders to be flexible and less risk-averse than in the past; and
- for effective community involvement to be treated as an end in itself, as well as a means to an end.'

As well, the report identifies motivational, organisational, institutional, political, cultural and economic barriers to effective community self help and details how these operate.

This report recommends the UK Government make a policy and a financial commitment to supporting community self help both through a special unit – the Active Community Unit of the Home Office – and by raising the competence and awareness of all its agencies whose work impacts on local communities. It recommends the UK Government aim to:

8. Active Community Unit, 1999, Report of the Policy Action Team on Community Self Help, Home Office, UK. p.iv.

- raise the numbers involved in volunteering and community activity,

- increase the viability of community groups and their services, and

- encourage the growth of informal mutual support.

through a series of actions targeted at such diverse areas as the benefits system, urban renewal and other grants funds, existing voluntary organisations, education and training. Among a series of detailed recommendations, some of which are specific to UK conditions, the report recommends that:

- The Government 'should commit itself both in policy and in practice to support community self help, for instance by ensuring that relevant programmes, such as the New Deal for Communities, do not place an undue burden on community groups, particularly in terms of accountability and financial reporting'.

- The Home Office's Active Community Unit (ACU) 'should take a strategic role in developing Government policy on volunteering and community involvement'.

- 'The ACU should develop with other agencies a validation programme, possibly a charter or Investors system, to raise the awareness and competence of agencies whose work has an impact on local communities and encourage a cultural change in their approach to them'.

- 'The ACU should ensure that relevant major Government spending programmes... set targets for their spending on community involvement and building in monitoring of the quantity and quality of such involvement'.

- 'Within the limits of accountability for public funds, funders should reach agreement that checks undertaken by one of them into such issues as the financial and managerial stability of an applicant organisation should be regarded as sufficient for others also. The ACU should coordinate this'.

- 'Funders should support mentoring and "buddy" programmes such as Big Brothers/ Sisters as a way of providing alternative, positive role models for young people; and mentoring and befriending should also be a key element of programmes of employer supported volunteering'.

The report comes from one of 18 Policy Action Teams established to undertake research and consultation and make recommendations to the Government as part of a national strategy to deal with widespread social exclusion – the devastating outcome of years of social decisions taken on the basis of economic ideology. Thus, this policy document is part of a much wider research and policy effort directed at a national strategy for neighbourhood renewal as well as a large number of major initiatives directed at young people's health, education and employment.

The Policy Action Team working on community self help point out that there is little in their report which is new. However, the Team, which comprised 'academics, practitioners, officials from central and local government, community activists and social entrepreneurs', believed that their report 'brings things together in a way which has not happened before'. Community self help has not had the level of Government attention and imprimatur before and it is this which has made the difference in the UK and taken this issue out of the academic and practitioners' journals and workbooks and into the national public policy and funding arena.

Implications for the Area Assistance Scheme

The point in the context of this Review of the AAS is as follows:

• community self help is one of the major outputs of the current Area Assistance Scheme[9], and this distinguishes the Scheme from other community grants programs in which the nature of the service to be provided is identified by the purchasing department,

• community self help needs to take its place among the Government's priorities for Strengthening Community and Social Justice,

• critical requirements for effective support of community self help include stability over time and sensitive but robust levels of support which avoid stifling local self empowerment,

• the policy framework supporting the community self help aspect of the Scheme is very under developed and this makes the Scheme vulnerable both to hijack and to failure,

• there is a great deal of information on community self help which is already available and could be called on to develop a sound policy framework for using the AAS to facilitate and support community self help.

Community infrastructure

The heading 'community infrastructure' has been chosen to avoid the term 'social infrastructure' which has been accorded a limited meaning through its usage in planning documents such as Masterplans and Section 94 plans.

By 'community infrastructure' we mean the sum of the social structures and systems which contribute to the effective functioning of a neighbourhood or other place-related communities. While community self help is a process, community infrastructure is a mix of physical and social structures. The physical structures include buildings and services which can be located on the ground and the social structures include organisations, networks and bodies of rules, regulations and principles which can be identified and measured in other ways (eg through directories, publications, lists of sponsors, cultural events etc)

Community infrastructure includes:

• the organisational stock of the place, including the presence and vitality of democratic, cultural, educational, social, faith, economic, trade, political and voluntary organisations, and the degree of their engagement with issues of common good in their locality,

• the ethical, probity, equity, democratic and accountability frameworks within which these organisations operate (their constitutions and the laws which govern them for example),

• the formal and informal networks that circulate information, resources and support between residents, between workers, and between residents and workers, including the density of horizontal networks[10] and the degree of integration of these networks,

• the links and bridges between local communities and sources of skill, education, trade, connection and influence in larger communities or the State as a whole,

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9. Both in the process of funding and the nature of the projects funded

10. Vertical networks, i.e. those associated with strongly hierarchical organisations, tend to foster the survival of the organisation itself rather than the development of community infrastructure

- the social aspects of spatial relationships between civic, commercial, educational and recreational buildings and facilities (such as how far low income earners have to go to get to the shops, the clustering of civic buildings away from the wrong end of town) and the social aspects of the physical qualities of these facilities (such as how well they are lit, the presence of meeting places, seats etc),

- the level of provision and the distribution of social services such as public education and public health services and the rules and regulations governing access to them (such as the existence of boundaries in the delivery of health services preventing some people from attending their nearest facility),

- the social aspects of the level of provision and the distribution of utilities (such as telecommunications capacity and the rules, regulations and public access initiatives affecting IT access) and public transport (such as accessibility of train platforms and buses for people using wheelchairs, prams, walking sticks etc).

This definition demonstrates the big gap between the term 'social infrastructure' as it is currently used, especially in urban planning and development, and the full extent of community infrastructure needs of places such as neighbourhoods.

The definition above also shows how those places which we might call thriving neighbourhoods or communities are doing well because they are well endowed not just with local organisations and networks, and not just because they have enough well placed schools, health centres, libraries or fibre-optic connections, but because they have all of these *and* are benefiting from:

- good laws, audit and evaluation mechanisms which ensure that corruption and conflicts of interest are kept in check so that organisations run well and quality services are delivered,

- the practice of democracy so that people in the community are skilled and able to use its processes,

- a dense, horizontal web of formal and informal networks which have been built up by good faith interactions between people over time resulting in a stock of mutual reciprocity and trust,

- good urban design which has not been hijacked by the desire of a few influential people to make their mark,

- stability of key organisations and their structures and processes (including the skill to manage improvements as distinct from the capacity to restructure),

- a sound and operational public sector value system (focusing on issues of public good for example).

Implications for the Area Assistance Scheme

Once the process of the Scheme can be defined as community self help and the intended outcome as improvements in community infrastructure, two things are achieved. The scope of the Scheme is clarified and the relationship with the State Government, and its many agencies, can be better defined.

For example, working from the above definition and looking again at the objectives of the Area Assistance Scheme as set out in the Policy and Procedure Guidelines, it becomes apparent that community infrastructure potentially covers a very wide front, taking in a

number of issues generally regarded as the terrain of a number of Government departments, such as laws designed to reduce corrupt practice, guidance provided to assist best practice in audits or in democratic process, assistance to business and economic development organisations.

At the same time, working from one of the fundamental principles of community self help – flexibility, and avoiding stifling local initiative – it is also apparent that the Area Assistance Scheme will and should give rise to an extraordinary diversity of projects, some of which might well impinge, or comment, on how a wide range of main agency services are being delivered.

Development of a policy framework for the AAS in terms of community self help and community infrastructure would have a very significant impact on the Scheme, assist in positioning it in relation to the activities of various departments and the State Government's strengthening communities initiatives and enable it to be managed on the front rather than the back foot.

The benefits of this approach are explored below.

Scope

Once the aim of the Scheme is defined as facilitating community self help to improve community infrastructure, the fact that submissions for funding address a very wide range of issues will be seen as appropriate and their diversity can be regarded as an indicator of success.

For example, a Scheme which addresses community infrastructure will be concerned with such matters as:

- ways to secure stable staffing of community facilities such as community centres,
- ways to foster an increased, or more diverse, stock of organisations in a place,
- ways to foster the networks of cooperation and collaboration between these organisations,
- ways to sustain management processes in community organisations, eg through training and other supports,
- ways in which local communities can establish bridges, or effective connections, with other place or skills related communities so as to provide links and opportunities for community members,
- the capacity of local communities to engage in democratic processes,
- the capacity of local communities to participate in electronic democracy and political, participation, information retrieval, learning, leisure and recreation, business and household management and commerce,
- ways to foster lifelong learning as a widely held norm,
- locally provided financial assistance and support through such initiatives as local barter initiatives, micro-credit unions, no interest loans schemes (NILS), timeshare, community banking,
- local strategies to sustain local and corner shops, as well as,

- ways to provide local communities with services which offer care and support to people with special needs.

In the past, the AAS has tended to give much of its attention to this last point and no doubt submissions to the Scheme will continue to include these kinds of proposal. However, if the full scope of community infrastructure were to be addressed, the weight of submissions would shift to include more representation of these other areas. This would reflect a more holistic approach to community infrastructure development.

Whole of government – whole of community

A shift to a more holistic approach to improving and supporting the development of community infrastructure would also deal with the perception that AAS initiatives tend to infringe the territories of mainstream primary care agencies, especially DOCS, Health, Housing and ADD. Once community infrastructure is defined it becomes clear that not only these but many other State agencies (such as Attorney General's, Fair Trading, State and Regional Development, Education and Training, Information Technology, Local Government etc – as well as DUAP itself) have a role to play in community infrastructure.

Indeed, to regard community infrastructure as principally the concern or preserve of the main welfare providing agencies is to seriously misunderstand what is involved. For example, decades of research results demonstrate that, notwithstanding popular belief, strategies to reduce relative socio-economic inequality achieve better health outcomes than do health related initiatives[11]. As another example, the massive research and policy products of the UK Cabinet Office's Social Exclusion Unit, including its paper on community self help, point to initiatives that need to be undertaken by The Home Office, The Department of Trade and Industry, The Department of the Environment, Transport and the Regions, and The Department of Education and Employment as well as by other agencies such as local government and the third sector.

Community infrastructure is not a 'welfare' matter in the narrow sense of that word but an issue in regard to which most, if not all, Government agencies have a part to play. Linking community infrastructure development, and the AAS as one of the mechanisms to achieve it, with the main welfare agencies directs attention away from the responsibilities of those other agencies and undermines the effectiveness of the whole-of-government policy.

The Government has already recognised this in a number of initiatives to strengthen communities and deliver social justice. The whole-of-government approach should be applied also to the AAS.

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11. Wilkinson, R.G. 1996, Unhealthy Societies, The Afflictions of Inequality, Routledge; Marmot, M.G. and Wilkinson, R.G. 1999, The Social Determinants of Health, Oxford University Press; Kawachi, Ichiro, Kennedy, Bruce P. and Wilkinson, Richard G. 1999, Crime: social disorganization and relative deprivation, Social Science and Medicine, 48,6 (March); Kawachi, I., Kennedy, B.P., Lochner, K. and Prothrow-Stith, D. 1997, Social Capital, Income Inequality and Mortality. American Journal of Public Health 87,9. 1491–1498.

Gaps

At the same time, defining community self help, and providing a policy framework for it, would deal with another misconception about the AAS, namely that activities funded under the Scheme ought not to overlap the core business of mainstream State Government agencies.

Just as the building of community infrastructure is a whole-of-government responsibility, so community self help processes will tend to be holistic in their concerns. There is not much point saying to a local community that they ought not be concerned with a gap left by a Government department or departments. Local communities are justifiably concerned with gaps and their impacts, not with the niceties of fit between the segments of core business and the State budget.

Further, community self help processes can be expected, and should be encouraged, to include feedback to departments and advocacy for local issues. This is not such a long way from the original idea that the AAS would focus the attention of some human service line agencies and possibly encourage a re-order of their priorities.

Both Government and local communities, in actual fact, are concerned with gaps. Each will want to do something about them. Significant progress would be made, however, if community self help were located, in policy terms, in the Government's compact with the voluntary sector so that the principal relationship of community self help processes with the Government became an enabling one rather than the present relationship in which the attempt is to restrict the areas to which community self help should direct its attention.

At the same time, Government agencies can legitimately expect that those community organisations which are not equipped to meet the standards required for some activities (eg the provision of some services for people with a disability), are not funded by the AAS.

Community self help as a basis for partnership

The basis for community self help is a partnership between Government and local communities. This partnership has to involve communication about what each party to the partnership regards as core business – viz. what the Government should do and what the local community could do.

The NSW Government has established a number of mechanisms which could foster this kind of communication. These mechanisms include Regional Coordination Management Groups and Regional Service Delivery Plans. These initiatives mean that there are groups of public servants in regions who are developing a regional perspective of State Government priorities. These people are potentially available to communicate with, say, regional or subregional AAS Advisory Committees about the nature of the Government's partnership with local communities, to listen to these committees and to engage in working with local communities to develop their community infrastructure.

Given the definitions we are working with in this section, it would not be appropriate if only human services agencies were engaged in this discussion.

Picking up

'Pick up' projects initiated under the AAS are now confined in budgetary terms to $450,000 per annum. This has helped define and contain the future financial commitments of the Government arising out of the Scheme. However, in a period of tight financial constraints, AAS projects have become one of the few ways in which some mainstream agencies are able to enhance their budgets and expand much needed programs.

This has created a 'Catch 22' situation for the Scheme. On the one hand, the AAS does initiate worthwhile projects which deserve to be picked up. On the other, the allegation is that some agencies only agree to some 'pick ups' so as to obtain the enhancement.

In any good community self help scheme there will be worthwhile initiatives whose excellent provenance and outcomes demonstrate the case for their continuation. On this basis, the allocation for 'pick ups' is very important and should continue. The procedures for 'pick up' now address most of the issues that have previously been of concern – agencies are not asked to 'pick up' projects they have not agreed to, the financial impact has been limited and although some agencies complain that they don't have enough time to assess proposed AAS projects for 'pick up', this seems to be as much a result of agency staffing constraints as it is of AAS timing.

At the same time, if the Scheme were to operate within a whole-of-government framework that:

- endorsed community self help as a process of partnership with Government,
- identified the community infrastructure responsibilities of many Government agencies, and
- included local government within its scope,

then there would be many more opportunities available to local communities seeking to find ways to continue programs whose worth had been demonstrated.

'Pick up' has come to have a very limited meaning in the AAS. A healthy community self help program requires both an allocation of funds for 'pick up' and the policy framework and partnership arrangements, eg with local government and the private sector, which facilitate other options for the continuation of really worthwhile projects which fall outside the parameters of the formally funded 'pick up' part of the Scheme. In time, too, as DUAP becomes more actively engaged in community infrastructure, it will be able to 'pick up' the administration of long-term projects that are best located within DUAP.

Using 'community' like salt

There is an established literature describing the many meanings ascribed to the word 'community' and generally agreeing that the word is 'warmly persuasive' and 'never seems to be used unfavourably.'[12] The word is certainly used in planning documents with a wide variety of meanings[13].

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12. Williams, Raymond 1976, Keywords, Fontana/Croom Helm, London.
13. South Sydney Development Corporation 1999, Green Square Community Plan, prepared by Australia Street Company, NSW Department of Urban Affairs and Planning.

Most often, when used as a noun and in planning documents, the word refers to small, area based communities such as neighbourhoods. However, occasionally it is used to mean larger areas, and in some cases to mean everyone in the State. For example, a State agency's mission might be to deliver tangible benefits to the community; or the agency might say that it is accountable to the community – in this sense the community is everyone in the State. Planning documents are not unique in their ubiquitous use of the word 'community'.

'Community' can be used when other words would be difficult or confronting, as in:

community consultations	*rather than*	discussions with invited people from a small number of organisations
community uses	*rather than*	this facility will be open to the public/ free/may attract people from other areas
working with the community	*rather than*	in a contractual arrangement with a small number of incorporated associations

and so on.

Implications for the Area Assistance Scheme

There are three issues of concern here.

The first issue is that discussions about justifications for, or changes to the Scheme can tend to dance between 'the community' as a small idea and 'the community' as a large idea – the community of a neighbourhood versus the community of NSW. This is a particular risk when the benefits of the Scheme are being discussed and is why the benefit-cost analysis in this report specifies when the benefit referred to accrues to local communities and/or when it accrues to the State. A lack of care in this area could lead to benefits to 'the community' meaning the State, inadvertently being used to justify costs to local areas as though the discussion were only about one 'community'.

The second issue is that a Scheme which uses the word 'community' frequently to explain what it is about, is at risk of using 'community' like salt – to make palatable a meaning or to obscure blandness. For example, warmly persuasive concepts like 'community consultation' tend not to include ideas of conflict and dispute. These are, however, reasonable and normal aspects of community processes which need to be addressed openly.

The third issue is that a Scheme which is concerned with community self help to improve community infrastructure should be aiming to define, for example in area and/or population terms, what is meant by 'a community' for the purposes of self help and what is meant by 'a community' for the purposes of community infrastructure. This is not to suggest that rigid definitions should be entered into, however community self help might refer to neighbourhood self help or small town and village self help or to locally based communities of interest. Community infrastructure, however, might be a concept that could be applied to larger areas. For example, several villages might decide to share an item of community infrastructure.

The focus on high growth areas

In 1979 the Area Assistance Scheme focused not so much on high growth areas as on one region of Sydney in which rapid urban development was not being matched by timely provision of social services and community facilities. When the Scheme was expanded this was in response to pressure from councils and organisations in other areas which could point to similar social conditions and settlement patterns. This resulted in the AAS being extended to the eastern seaboard, which in the period 1986-91 recorded a 3.21% population increase. (For data see **Attachment 7**).

The 1996 Census confirmed the eastern seaboard as the State's main area of population growth, however it also showed that the annual growth rate along the coastal belt had slowed in the period 1991/96 to 1.87%. During this time, Sydney increased its share of the State's population, reversing trends of the late 1980s. There was substantially increased growth in the inner and outer rings around Sydney, and to a lesser extent in the middle ring. Since the Census this pattern has been maintained. The largest absolute growth in the State in the period 1997/98 occurred in Liverpool, the second largest in Blacktown and the third largest in Sydney city. At the same time, however, growth slowed in some western Sydney suburbs such as Fairfield and Campbelltown and there were areas of growth in inland areas – in the Central West areas nearest to Sydney, in resource development areas such as Parkes, and in sponge centres such as Dubbo. These growth patterns point up some of the difficulties which arise when a Scheme which focuses on alleviating social stress is limited to high growth areas. These difficulties include:

- The parts of the State in which high population growth is occurring change over time. The Area Assistance Scheme does not have a mechanism for moving between areas as their population growth patterns change, and it is difficult to move the Scheme from area to area because of the support stability needs of community self help initiatives.

- There is no mechanism within the Scheme for identifying when levels of social stress are not at critical levels and the Scheme should no longer apply to an area. Not all areas within current AAS boundaries are equally badly off; some are thriving.

- There is no mechanism for identifying relative need as between regions containing high growth areas. Currently population size determines the size of fund allocation to regions, but some regions with large populations have been using the AAS for years to good effect so that they have a better level of community infrastructure in place than some newer areas of urban development.

- Social stress arises from many causes of which rapid urban growth is but one. A case could be made by local authorities, for example, that social stress caused by rural and regional recession is more worthy of support since, with a dwindling rate base, the council is extremely limited in what it can do. By contrast, a council in a high growth area has increasing rate revenue.

These difficulties are amply illustrated by two recent studies of social disadvantage and community vulnerability in NSW.

A 1999 report by Tony Vinson[14] used a Principal Components Analysis of 11 readily available indicators to derive a composite measure of disadvantage which he applied to the postcode areas of NSW. The 30 most disadvantaged postcode areas were then identified as Windale, Menindee, Tingha, Northern Rivers MSC, Lightning Ridge, Koorawatha, Bowraville, Islington, Blairmount/Claymore, Collarenabri, Mandurama, Wilcannia, Carrington, Tighes Hill, Dareton, Mid North Coast MSC, Wickham, Central West MSC, Gunnedah–Forward, Harrington, Brewarrina, Waterloo, Stroud Road, Tweed Heads, Nambucca Heads, Mount George, Coopernook, Walgett, Nabiac and Evans Head. Some of these areas of disadvantage are in downtown areas of the city of Newcastle and many are in rural and regional areas of NSW. Many are not in AAS areas.

On the other hand, another paper delivered in 1999[15,] using a different model and basing the analysis on Statistical Local Areas, identifies a number of regional cities and towns of opportunity – some of which might qualify under the heading of increased growth for inclusion in the AAS – such as Snowy River, Bathurst, Orange, Armidale, Goulburn, Queanbeyan, Tamworth, Albury, Dubbo, Wagga Wagga, Griffith, Leeton, Maitland and Muswellbrook. Most are outside the boundaries of the AAS at the moment. This same study identifies the following 'localities of vulnerability': Ballina, Bellingen, Byron Bay, Coffs Harbour, Eurobodalla, Great Lakes, Hastings, Kempsey, Lismore, Maclean, Nambucca, Bega Valley, Cowra, Forbes, Gunnedah, Moree Plains, Mudgee, Narrabri, Parkes, Tumut, Young, Taree, Broken Hill, Casino, Grafton, Inverell, Port Stephens. While the North Coast cluster of 'welfare/retirement migration' vulnerable areas is within current AAS boundaries, what Stimson et al. term the 'extractive based marginal cluster' and the 'manufacturing based vulnerability cluster' are outside those boundaries.

What these studies show is that deprivation and disadvantage, or social stress, can be, but are not necessarily, correlates of high population growth. They are also present, often profoundly so, in areas of low population growth and population decline. In fact, rates of change of population are not particularly useful in locating areas of deprivation and disadvantage. Tony Vinson does not use this as one of his indicators and neither does the Stimson study.

There is a serious issue of inequity, therefore, in the Area Assistance Scheme continuing to use as its principal rationale for inclusion of an area, the area's rate of population growth. In fact, the idea that social stress can be equated with any kind of geographical boundary will always be problematic because pockets of severe deprivation exist in all kinds of locations, often hard up against wealthy areas – as in Redfern and Waterloo, two currently excluded areas.

Finally, using geographical boundaries does not help deal with one of the main areas of difficulty in the management of a community self help grants program, namely that it must address the fact that the more articulate and well organised a community becomes, the less its *community self help processes* require support. In addition, those local communities which are rich in local organisations steeped in experience of how to apply for grants and how to lobby for their needs to be met may achieve, through that factor alone, more assistance and a higher success rate in their applications for *community infrastructure* funding than

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14. Vinson, Tony 1999, Unequal in Life, the distribution of social disadvantage in Victoria and New South Wales, The Ignatius Centre for Social Policy and Research, Richmond, Victoria.
15. Stimson, Robert, Baum, Scott, Mullin, Pat, 1999, Australia's Regional Cities and Towns: Modelling Community Opportunity and Vulnerability. Paper presented to the 1999 ANZRSAI Annual Conference: Regenerating Regional Communities, Newcastle 19-22 September.

communities with much lower levels of self confidence and much greater experience of collective disrespect and disregard[16].

The fundamental and enduring principle of social deprivation is that deprived areas (those experiencing the greatest social stress) are those which experience continual exclusion. The communities which end up as 'sink' communities with seemingly unalterable profiles of deprivation are those which continually miss out. Having attention drawn to their plight, as Tony Vinson's repeat study demonstrates, makes not one jot of difference to the patterns of exclusion.

Or, to put it another way, when the UK Government wanted to interrupt these patterns, it set up 18 policy action teams to inquire into 18 discrete areas in which the pattern of social exclusion was being replicated by a wide range of government and non-government agencies – not as a matter of collusion, but because they were each operating to the same set of unexamined norms when it came to allocating their attention and their funds.

This delicate area of grants program management would be assisted if criteria for receipt of a grant were well and truly based on non-geographic criteria and if DUAP were, over time, able to show, for example on a mapping basis, the distribution of community infrastructure against its program criteria so that communities could see how they ranked.

As well, over time some indicators of community self help capacity need to be introduced so that the communities with the least capacity to start a new initiative to build their community infrastructure are the ones that get the most support – quite the reverse of the way it frequently happens at the moment[17]. DUAP could begin by utilising some of the indicators of social exclusion developed by the UK Social Exclusion Unit (such as communities with fewer than 3 – 6 civic organisations per 1000 population[18]) and over time adapt these to circumstances in NSW.

Implications for the Area Assistance Scheme

If the Scheme were to be a State-wide grants program, there are a number of alternative criteria which could be considered in determining which communities and neighbourhoods should have priority in accessing AAS funds and/or in the amount of funding available to them for community infrastructure building. These criteria might include:

- The extent to which a neighbourhood, suburb or area has become a 'sink' – a place in which people with least resources are placed or find housing. This criterion would immediately give high priority to some public housing estates, some rural towns to which people from dying rural communities are retreating, and some neighbourhoods with a high proportion of recent immigrants and refugees.

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16. Kennedy, B.P., Kawachi, I., Lochner, K., Jones, C., Prothrow-Stith, D. 1997, (Dis)respect and Black Mortality, Ethnicity and Disease, 7 (3):207-14.

17. See for example the number of comments from the stakeholder consultations, Attachment 1, regarding the way in which those who can best state their case tend to succeed.

18. National Strategy for Neighbourhood Renewal, 2000, Policy Action Team report summaries: a compendium, Cabinet Office, UK Government, page 35.

- Places with high levels of long-term unemployment – this criterion would lead to the inclusion of many rural, regional and remote communities whose financial resources are stretched.

- Places with poor health, crime and education indicators – this criterion would also differentiate between areas to which the Scheme applies.

Shifting the criteria for access to the AAS to one or a combination of these indicators would deal with the social justice issues arising from its current limited geographic spread and the inertia associated with defining eligibility in terms of a geographic boundary, but would also pose other problems.

- New indicators would be needed to show that AAS funds had been allocated on the basis of the new criteria. Distribution according to per head of population in an area would no longer be seen as necessarily equitable.

- All DUAP regions would require an adequate level of administrative support and community development capacity in order to manage the program

- High growth areas where most new residents are owner occupiers or mortgagees have different characteristics to places with high levels of public housing. Different skills and greater levels of support for community self help would be required in the latter areas.

- A capacity to move funding between areas or shift the relativities between areas would need to be set up in ways that interrupt patterns of social exclusion but retain stability in the Scheme and a level of support for all community self help processes.

However, the principal obstacle to expanding the Scheme is the size of the fund. Stretching $10.5 million in 2000/2001 across, say, double the number of people or twice the geographic area would mean that the Area Assistance Scheme was reduced to an ineffectively small grants program nibbling at the edges of community infrastructure and trivialising community self help. To deal with the inequities associated with the current limits to the Scheme's geographic reach, the amount of money available to the Scheme will have to be increased.

The role of local government

The 52 local councils in AAS regions receive a subsidy towards the employment of a Community Project Officer and have the opportunity to:

- apply for AAS grants providing these are not for projects which are clearly the responsibility of local government (examples of exclusions given in the Guidelines include parks, tourist facilities, sport or recreation facilities and childcare services),

- coordinate local planning processes,

- participate on Local Ranking Committees and Regional Advisory Committees,

- assist project sponsors develop projects, submit proposals and implement projects, and

- assist in the monitoring, support and review of AAS projects.

It makes sense for councils to be involved in local community self help projects and in the building of community infrastructure. The local council is the level of government closest to the grass roots, its focus is local, it is concerned with the detail of what happens within its borders and it collects money from ratepayers and users of community, sport and leisure facilities to be spent for the benefit of its residents.

In 1993 a new Local Government Act was enacted which expanded the role of councils in NSW from traditional concerns with planning, roads, waste disposal, utilities, libraries and open space to include social issues. In 1998 the role of local government in promoting social inclusion and responding to community need and diversity was recognised in a Regulation to the Local Government Act. This Regulation requires Social/Community Plans to be prepared by local authorities in order to meet the following objectives:

- promote fairness in the distribution of resources, particularly for those most in need

- recognise and promote people's rights and improve the accountability of decision makers

- ensure that people have fairer access to the economic resources and services essential to meeting their basic needs and improving their quality of life, and

- give people better opportunities for genuine participation and consultation about decisions affecting their lives.

There is a long tradition in NSW, however, of local government regarding its role as the facilitator rather than the provider of community services. This position, which predates the new Act and the Regulation, is now reflected in many of the Social/Community Plans which have been developed by councils, and in the fact that a number of councils have not implemented this requirement. As well, council involvement in community infrastructure tends to be limited strictly to the physical aspects. They collect S94 contributions to build community facilities and they often own halls, houses and other buildings such as senior citizens centres and community centres. However, these are usually managed by volunteers and only sometimes with the assistance of one worker funded on an insecure and often part time basis by some other authority.

Research for this Review found that 56% of AAS participating councils paid for no community services staff, or for less than one full time position, out of their rates revenue. This did not necessarily mean that they did not have staff responsible for community services issues, (some of these councils had been successful in securing a reasonable level of local community services, if not many of the other aspects of community infrastructure, through State and Federal Government grants) but that they did not pay for these staff.

In more than half the AAS participating councils, all community services staff were subsidised either wholly or in part by State or Federal Government grants. Further, in 16% of councils the CPO was the only community services staff member and that position was not necessarily full time and in some cases was combined with unrelated responsibilities such as administration or environmental planning and in one case the position was spilt between five local government authorities. Research results are at **Attachment 2**.

A survey was also undertaken of Local Government authorities *across the State* to examine both their attitudes to the Area Assistance Scheme and to explore their expenditure on community services. The survey gathered information on council community services activities, including whether the council had a full time community services manager or equivalent position, a Section 94 plan for community facilities, a social plan and the proportion of the council budget spent on community services. The results of this survey are at **Attachment 4**.

The survey results show that the ratio of council community services budgets to total council budgets exhibited a wide range, from almost zero to 30%. The mean value was 4.09% but this value is affected by a few large ratios. A better measure of central tendency in this case is the median value. The median is that 2.22% of council budgets is being spent on community services. When this ratio is split into four equal quartiles, Table 1 in **Attachment 4** shows that none of the councils in the quartile with the lowest ratios are from the metropolitan area.

A similar trend is shown in answer to the question about whether councils have a full time community services manager. Seventy-eight per cent of councils in metropolitan areas have full time community services managers compared to only 38% of non-metropolitan councils.

Overall, 29% of councils relied on State and Federal Government grants for more than half of their community services expenditure.

About a third of council respondents indicated that they thought the current focus of the Area Assistance Scheme on high growth areas should change. Not surprisingly, 83% of the respondents who thought the focus of the Scheme should change came from areas experiencing stable or declining populations. There were a variety of arguments put to support a change in focus of the Scheme. Some of them are reproduced below:

> *The Scheme could equally apply to slow growth, stable or declining regional areas where social and economic stress is also experienced due to the withdrawal of Government services, lack of access to medical facilities, youth unemployment, isolation, lack of public transport etc. Hopefully, DUAP will see that there are communities willing to help themselves, west of the Dividing Range, that would also benefit from the Scheme.*

> *Areas experiencing population decline have difficulty introducing new services and, in some cases, maintaining existing services. Areas experiencing rapid growth probably only have a short term problem because political pressure and the better economies of scale will probably ensure that the needs of these communities will eventually be met.*

> *Having worked as a general manager on the North Coast (NSW) and the Far West in the past 8 years, I believe there is as much justification for the AAS to apply to the Far West as the North Coast. In fact, because of the growth on the North Coast, councils have a greater opportunity to raise revenue through Section 94 contributions.*

The research results reflect the traditions of expenditure in local government but also a traditional ambivalence in State Government policy. On the one hand, human service line agencies such as the Department of Community Services, and Ageing and Disability Department (ADD) assert their responsibilities for local social service provision by funding at the local government level, either through local councils or using other auspice arrangements. In some respects, the Area Assistance Scheme is part of this system of the State Government paying for community projects at local levels.

On the other hand, the 1998 Local Government Regulation seems to be suggesting that local government authorities should 'pick up' more responsibilities for community infrastructure. On the evidence, most local councils have not done so to any great extent, and the Area Assistance Scheme seems to have been no more effective than changes to the Local Government Act in encouraging councils to do so – although there are conspicuous exceptions to this.

The weight of tradition is evident and not to be ignored. Many local councils lack the skills to work in the arena of community self help to improve community infrastructure. As well, research[19] indicates that the weight of tradition asserts itself much more powerfully than new Regulations and persists for generations. Nonetheless, the lack of engagement of local councils in community infrastructure issues does not seem to be in accord with their interests in managing communities which are stable and self sustaining, or their position as the most local of the three levels of government.

At least one aspect of this conundrum appears to lie in the State Government's control of rate revenue through rate capping. This attractive policy from the point of view of the State Government, and of residents, has meant that in some council areas rate revenue has not maintained its real value in the last decade and this creates in councils an understandable reluctance to take on new responsibilities. At the same time, a number of State and Federal Government responsibilities have been devolved to local government in the past decade. These include increased responsibilities for health inspections, planning instruments, heritage, and the environment. As well, some services set up by councils using federal monies have had their on-going funding withdrawn, for example operational funding for long day care services for children. It is no wonder that councils are not putting their hands up for more unfunded responsibilities, and it would not be reasonable to expect them to do so.

Implications for the Area Assistance Scheme

Community self help to improve community infrastructure is far less viable without a strong partnership with local government. State funding of community self help to improve community infrastructure without financial input from local councils is a weakness of the AAS and perpetuates the notion that these local matters are primarily a State responsibility.

Local councils should play an informed and contributory role in developing local community infrastructure. However, their entrance into this arena needs to be facilitated both in terms of identifying local financial resources and in terms of policy frameworks, models and training. There is no point adding this responsibility to the long list of unfunded transfers of responsibility to the local government sector. As well, increased council participation must be managed in ways which are consistent with the grass roots nature of the Scheme and allow community organisations to pursue applications for funding in competition with their local council.

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19. Of all kinds but see Putnam, Robert D. (1993) Making democracy work: civic traditions in modern Italy, Princeton, University Press for a classic account.

Impacts of the purchaser/provider model

Although *compulsory* competitive tendering and outsourcing seem to have hit the wall, the purchaser/provider model is still being used extensively in NSW Government departments. The separation of public service activities into those which decide which services should be purchased and those which deliver or provide the services creates many of the difficulties associated with the compulsory contracting out of public services.

In particular, the service to be provided needs to be specified so that the purchaser can determine whether the provider has provided the service and, secondarily, whether the service delivers value for money. As much of the literature about this model has noted, there are many qualitative aspects of service delivery, including those which arise from the co-location or mix of services delivered which are difficult to specify or quantify and, indeed, may not be noticed as such until, in their absence, they are missed. In addition, as far as services to people are concerned, it is difficult to specify services which take full account of individual differences and diversity of need.

Increasing specification of service requirements results in closer and closer (usually narrower and narrower) specification of services and the emergence of gaps in service delivery – those things which used to be done and now can no longer be done because they have been defined out of the scope of the services to be delivered. The purchaser/provider model's tendency to create gaps reinforces rather than undermines silos in public administration. Unfortunately, even where there is a conscious attempt to define services which cross departmental or professional boundaries, the acute shortage of funds in many of the human services departments means that these services are delivered on a priority basis and often only reach people in crisis.

Implications for the Area Assistance Scheme

There is considerable irony in the fact that the Area Assistance Scheme has been criticised for its gap-filling propensities while at the same time one of the unintended consequences of the introduction of the purchaser/provider model has been gap creation. As well, the introduction of this model, along with no growth funding, has meant that the shift to crisis intervention by the main human services providers has created gaps in precisely those areas in which the AAS operates, namely community self help and many aspects of community infrastructure development.

This has placed the AAS under increasing pressure from community organisations which used to be able to apply for funding, to DOCS for example, for what used to be termed community development, which in recent years has only increased funding for this purpose on the basis of 'pick up' from the AAS.

The purchaser/provider model and the no growth funding strategies increasingly exclude community self help programs, including those which seek to alleviate hardships caused by gaps created by these strategies from mainstream human service delivery agencies. That is, these strategies enlarge the arena in which the Area Assistance Scheme is called on to play a part.

The relationship with other grants schemes

A comparison of the AAS with a number of other State Government agency grants programs with social objectives is set out at **Attachment 8.**

It will be seen from this table that a number of these grants programs engage in aspects of community self help. For example, there are grants programs which promote the health or educational aspects of community self help, or target particular communities such as Aborigines or ethnic communities. However, there is no other grants program which sets out to foster community self help capacity in general in the areas to which they apply. Further, most community grants programs aim to deliver specific services within a range set by the funding agency, that is they are top down mechanisms.

A similar situation exists with regard to community infrastructure. There are many grants programs which focus on particular aspects of social service delivery, and a few grants programs which provide for capital works for community infrastructure. However, there is no other grants program which attempts to address the question of community infrastructure in a holistic and integrated manner for a wide range of local communities in a geographic area.

In so far as Government agencies are providing grant funding in areas of their core business, it is not surprising that their grants programs are largely targeted to specific target groups and are not concerned with questions of community self help and community infrastructure in general.

The table at **Attachment 8** demonstrates that the AAS is not duplicated by another grants program and its major areas of focus are unique.

The AAS is sometimes compared with DOCS' Community Services Grants Program (CSGP), with the suggestion that the CSGP has a similar brief to the AAS. However, this overlooks a number of major differences between the two grants programs, including:

* the very strong focus of DOCS on child protection issues and crisis intervention welfare services,

* the limited use of the CSGP for community self help capacity development (regarded as one role of neighbourhood centres which are, however, very focused on welfare service delivery and facilitation),

* the CSGP largely comprises recurrent funding of long established services with little opportunity to respond to new community initiatives,

* the likelihood that the CSGP will increasingly focus on services purchased rather than organisations funded which will conflict directly with community self help objectives which include supporting the stability and growth of a network of local community organisations per se.

In addition, neither community self help nor community infrastructure, as defined above, sits particularly well with the highly focused core business of DOCS and to integrate the AAS with the CSGP would be to disadvantage a number of local communities and significantly narrow the scope of the existing program.

The other grants programs with which the AAS could be compared are the Casino Benefit Fund and the Community Development and Support Expenditure (CDSE) Program established under section 87 of the Registered Clubs Act. The CDSE Program is a fund made up of 1.5% of the profit of all registered clubs in NSW with a profit in excess of $1 million. registered clubs have a choice of donating this percentage of profits to the community through the CDSE Program or submitting it to the NSW Government as a tax, ie this fund comprises public money in the form of tax credits rather than private profits.

The similarities between the CDSE Program and the AAS arise from:

- local decision making about how the money will be disbursed – under the CDSE Program local clubs decide this for themselves and report to the Liquor Administration Board how they have allocated the money,

- local clubs can expend all the amount on Category 1: welfare assistance or split it 50:50 between Category 1: welfare assistance and Category 2: community development,

- community development is broadly defined,

- current CDSE guidelines seek transparency of decision making by clubs,

- there is some geographic bias in the distribution of wealthy clubs and this bias acts against rural and regional NSW,

- about $9.5 million was disbursed in 1999 and this figure is estimated to rise to $12 - 15 million in 2000.

However, although CDSE Guidelines are in the same direction as AAS Guidelines, local clubs' expenditures are not linked with local or regional social planning activities or community based assessment of priorities, monitoring and accountability is not linked to a social policy framework and there are risks of duplication, or conflict, with the AAS and other Government expenditures.

The second scheme is the Casino Benefit Fund derived from a levy of 2% on casino gaming revenues. While four of the five objectives of the fund are gambling related, the scheme does allow funding of the 'other community projects and services as may be determined as being of benefit to the community generally'. This fund is also submission based, however decisions about which submission to fund are made centrally by the trustees of the fund.

The above analysis does not deal with the other potential source of duplication, namely a lack of coordination between grant providing agencies and the theoretical possibility that a community organisation, having applied to more than one fund for the same, or aspects of a single, project ends up receiving more than one grant essentially for the same purpose.

There is nothing wrong with a community organisation trying all potential legitimate avenues in order to obtain funding. After all, an Aboriginal women's group can quite reasonably apply to both the Department of Aboriginal Affairs and the Department for Women to fund a project. The issue here is coordination and communication between grant providers before grants are finalised.

Implications for the Area Assistance Scheme

The role and focus of the Area Assistance Scheme has changed so much since its inception in 1979 that it can no longer be argued that it is duplicating any other Government agency grants program. As well, the Scheme now has in place effective mechanisms to prevent duplication of services provided by other human services departments.

The core business of DUAP

The Department of Urban Affairs and Planning's *Strategic Directions* document for 1999/2000 states:

DUAP, 'in active collaboration with people and organisations affected by our decisions, provides:

- a strategic overview to guide sound planning decision in NSW,
- a contemporary legal framework for development,
- strategic natural resource planning,
- strategies and assessments for sustainable development and assessment,
- environmental plans and strategies for the State, regional NSW and metropolitan areas,
- urban development and renewal, which delivers;
    - jobs,
    - a better environment,
    - liveable communities'.

Despite the inclusion of 'urban affairs' in its title, DUAP has an active role in the physical character of all NSW towns, villages, suburbs, cities and rural areas because it sets the planning parameters for local and regional planning instruments, provides guidance and support for these, sets the framework for developer contributions to social and community facilities and other infrastructure such as parks and open space, and makes determinations about acceptable levels of impacts of large scale developments including the impacts of mining and forestry.

Through its agencies, Landcom, and the Honeysuckle, Festival and South Sydney Development Corporations, DUAP engages directly in urban renewal and urban development, and through the Affordable Housing Strategy seeks to engage local government, not-for-profit agencies and the development and finance industries in affordable housing provision. The Department also provides advice on urban design issues throughout the State.

It would be fair to say that the profession of planning has tended to make a narrow interpretation of the concept of social infrastructure in regard to both established and new communities. This can be seen in master planning documents which limit social infrastructure to buildings housing core services such as education and health, public and other transport issues, utility provision (only recently seen as part of ICT and thus social infrastructure) and jobs. These and similar planning documents reflect a general reluctance to engage in other aspects of community infrastructure as defined above, especially the non-built aspects[20].

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20. Ziller, Alison 1998, Social Capital as Infrastructure; Case study: the O'Brien Road Project, WA. Paper presented to the 8th International Planning History Conference: '20th Century Urban Planning Experience', University of NSW, Sydney, 15-18 July.

This general reluctance seems to be reflected in the structure of the Department in that there is a highly successful Urban Design Advisory Unit but no matching unit to assist planners include sustainable community infrastructure development in their work. In fact, the consultant team has been advised that there is not one sociologist in the Department.

It would also be fair to say that decisions about the timing and location of new urban release areas have generally not been driven by considerations of when essential infrastructure, including social infrastructure even in its limited definition, would be available. To put it more bluntly, planners have been associated for decades with the decisions which created social situations in which people with least resources found, and still find, themselves being located far from public transport, health facilities and so on and in residential areas where these deficits persist for many years.

This is not to say that the provision of such infrastructure rests in the hands of the Department, however neither is the Department engaged in finding ways of providing (as opposed to responding to submissions via the AAS) for other forms of community infrastructure – the stock of community organisations and communications networks, for example – which might help deal with this shortfall.

Once community infrastructure is defined more broadly than the built environment, it can be seen that there is an aspect of its legitimate core business with which the Department of Urban Affairs and Planning is not fully engaged. To test this assertion, one might ask what the Department would additionally be doing if it were to embrace this aspect of its core business. This question requires another piece of work to answer it in detail, however, the following suggestions indicate that it is not an empty idea. If DUAP's core business included facilitation and support of community infrastructure development, the following activities or shifts in emphasis in the Department might become evident:

- the preparation of a Social Plan for the Department to identify its social roles (eg to play its part in the development of community infrastructure) and develop the strategies to address these (such as the points which follow),

- greater use of non-developer funded social impact assessment and benefit-cost analyses,

- a more informed assessment of developer funded social impact assessments and benefit-cost analyses,

- a revised basis for S94 levies, for example to permit contributions to be collected so as to build or purchase residential or commercial premises to provide the income stream which would secure the salary of a manager for a community facility such as community centre (without which such centres are often little used),

- more use of strategic planning so as to encompass a wider range of issues at the strategic level at the beginning of a development (before masterplanning), especially of new release areas,

- more social accounting, less reliance on developer arguments about economic viability[21],

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21. For example, The UK House of Commons' Select Committee on Environment, Transport and Regional Affairs argues in its Second Report: Environmental Impact of Supermarket Competition, 1999, 'We recommend that the Government clarify what is meant by the statement in Planning Policy Guidance Note 6 "sites in town centres which are suitable, viable and available within a reasonable time period". We consider unacceptable an interpretation which defines "suitable" as meaning suitable for the size of store and format which retailers wish to develop...'

- taking responsibility for social systems as well as built ones, for example by not leaving the management of built community facilities and the start up of neighbourhood associations to chance[22],

- greater use of the social planning data and research outcomes generated by the Area Assistance Scheme,

- a more targeted and well researched basis for the Area Assistance Scheme which would be translated into training and other resources for local decision makers, councils and the DUAP staff employed to advise and assist them.

Implications for the Area Assistance Scheme

The implications for the Area Assistance Scheme are clear. The Scheme would be less vulnerable to periodic attempts at closure if its ties to the core business of the Department were made plain.

Why DUAP?

There are several reasons why DUAP should continue to have carriage of the Area Assistance Scheme.

1. Although the policy framework of the Scheme has lacked effective articulation it is clear that the policy framework suggested above is consistent with an area of work with which no other department is engaged and which is arguably central to DUAP's core business.

2. In DUAP, a community self help program to improve community infrastructure can be undertaken without overtones of welfarism, policing, correction, emergency assistance etc and without limiting the agenda of the Scheme to particular aspects of community infrastructure, such as education or health, or to particular target or special groups in the community such as public housing tenants, Aborigines, people with a disability, or women.

3. Unlike a number of other human service agencies, DUAP's responsibilities and policies encompass the entire State. (Compare the narrower foci of the Department of Housing, the Department of Ageing and Disability, the Department of Aboriginal Affairs for example.)

4. Although the Premier's Department currently houses the Strengthening Communities Unit, this is, appropriately, a very top down initiative. Further, Strengthening Communities is not a traditional part of Premier's core business and this Unit is, therefore, liable to restructure or relocation in the future. Neither characteristic is consistent with the role and purposes of the AAS.

5. Despite the fact that the Area Assistance Scheme has not been well integrated into the Department's core business to date, DUAP has managed the community self help aspect of this grants program well and this augurs well for continued good management in the future.

6. Continuation of the Scheme in DUAP will provide a focus and pool of relevant expertise in the Department consistent with its opportunity to address the aspects of its core business set out above.

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22. See Thake, S. 1995, Staying the Course, The role and structures of community regeneration organisations, Joseph Rowntree Foundation, York, England.

However, the Scheme, and especially its clients, would stand to benefit substantially if the Department were actively committing resources to:

- researching how best to facilitate community self help and applying the information gained to the development of the Scheme, including its policy framework,

- ensuring that the whole community infrastructure is under consideration when urban renewal or new release areas are being developed,

- feeding into the Scheme, research results from within and outside the Department about community infrastructure development – this would include identifying successful community infrastructure projects, for example No Interest Loans Schemes, public internet access projects, lifelong learning projects, locally based retail forums to sustain local shops in low income neighbourhoods, and providing community organisations and local councils with opportunities to assess the place of such projects in their local communities,

- providing training, advice and assistance to planners throughout the State on these matters.

The shortening of timeframes

The focus of governments and their departments is often on short-term outcomes. Governments want to be able to show that their policies work and departments want to be able to show that their work is effective. These factors, and the competition for funds, tend to result in shorter timeframes being allowed for outcomes to justify the effectiveness of projects and shorter terms for grant funding.

However, developing the capacity of local communities to engage in self help requires long timeframes and consistency of purpose. Developing community capacity is not buying a service delivered by a provider. The capacity has to be developed at each place. At each place local networks and local organisations must not only be found but often have to be set up. These elements of social capital have to operate for years so that they acquire an existence and an effectiveness greater than the small band of individuals who started them.

There are no shortcuts to doing this and there is no alternative. Providing services from the top down will never replace community capacity for self help and putting it off is a poor investment.

Recent changes to the Area Assistance Scheme such as shorter timeframes for community and service development, time limited projects and the dramatic reduction in 'pick up' funds over the years are both ways in which the timeframe on community infrastructure development and self help capacity has been shortened. Many projects are now funded for two years and, with the exception of the 'pick up' projects, no projects are funded for more than four years. In these ways, and in the associated reductions in administration costs, the AAS has been reduced by more than the reduction in the sum of its financial allocations.

It is not reasonable to expect that community self help capacity can be developed in four years. At the same time, DUAP quite reasonably wishes to avoid aspects of the recurrent funding model of grants administration whereby so much of each year's fund is already committed to existing programs that there is little opportunity to support new initiatives.

What this means for the Area Assistance Scheme

The Scheme needs to maintain a mix of 'pick up' and 'non-pick up' projects in order to sustain its energy and its capacity to respond to local initiative. This means that other ways need to be found to achieve consistent levels of support for community self help. Among the opportunities which should be explored are:

* partnership arrangements with local government,
* alternative funding options through changes to S94 or developer agreements,
* provision of greater levels of training and other support to local community organisations.

Less is not always more

The school of thought that says that 'less is more' has many proponents and a number of successes to its credit. However, 'less is more' is not a universal statement and, in the case of the AAS, less money for administration by DUAP has not amounted to more of anything.

The critical issue here is that the AAS is not like other grants schemes, it is not top down and it is not a program in which funds for the same or similar programs are administered year after year to the same or similar service providers. The very characteristics which make the AAS valuable are those which mean that it requires a reasonable level of administrative capacity and that what is reasonable cannot be determined by benchmarks drawn from top down grants programs which operate quite differently.

The Department of Urban Affairs and Planning has a budget of $500,000 for the employee related and operating costs of the AAS. This represents approximately 5.4% of its total budget in 1999/2000 and 4.8% of its anticipated 2000/2001 budget. Even when compared with topdown grants programs this falls extremely short of the 7% - 10% currently expended by these latter programs[23].

The AAS administration within DUAP is structured as follows:

* A small team in Head Office (Program Manager and two Program Administrators) who provide broad direction on funding policy and procedures, provide support and advice to the Regional Coordinators, manage internal and external reviews and audits, manage the AAS budget, monitor the program's performance, oversee the funding process, coordinate 'pick up' funding arrangements, produce publications, manage the data system and enter and process payments.
* One Regional Coordinator in each of the four DUAP offices that cover the AAS who manage the annual funding process within their region (including planning funding priorities and assessment of new applications), monitor funded projects, support and train Community Project Officers, and monitor the selection and operation of AAS committees.

While the AAS administration is funded below the average of other generally less resource intensive programs there are a number of reasons why the AAS should be funded at a higher level.

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23. The Review of Grants to the Community Sector, 1998, Council on the Cost of Government, unpublished.

The AAS has a high turnover of projects (due partly to the short timeframes referred to above) and high rate of new applications each year (1,360 in 1997 and 828 in 1999) which reflect its health as a community self help program.

The processes by which new initiatives are generated, ranked and assessed are themselves benefits and the outcomes of the Scheme, and they require both administrative capacity and staff time for training and development of participants. The kind of contribution that the DUAP staff make in terms of advice and assistance to potential applicants, local councils and local ranking committees has to be made face to face and often in the local community. It is time consuming and painstaking work and it requires DUAP staff to be located where they can reasonably travel to local communities and maintain a working relationship within an area over a period of time.

The demand for greater accountability in the disbursement of the fund and the acquittal of the projects has also created more work.

What this means for the Area Assistance Scheme

The present size of the staffing and operational budget is far too small for the responsibilities now expected for the effective management of the Scheme. The central team is too small and the regional coordinators are too thinly spread across the AAS areas.

This means that, on the basis of present allocations, it would not be possible to expect a policy framework to be developed to support the program, or to deliver the guidelines, training and development, and advice, assistance and support needed as populations expand in the existing AAS areas or as the AAS is expanded into other areas.

There are also too few AAS Regional Coordinators and the areas for which they are responsible are too large to enable effective provision of advice and assistance.

The rise of the third sector

Recently, one could be forgiven for thinking that the third sector had just been discovered, especially in the UK where the Third Way was introduced to a fanfare while yet more responsibilities were directed to the not-for-profit and voluntary sectors.

The third sector (ie the not-for-profit and voluntary sector) is able to do things that Government departments don't do and these include:

- harnessing the capital resources of some faith institutions to some welfare aims of Government, and

- delivering more services per dollar because favourable (pre-GST) tax structures cushion low salaries, because some people will work in the third sector for low salaries because of a fit with their value systems and because the third sector is a training ground for people entering some professions.

The third sector is an essential part of human service delivery in NSW. However, some third sector organisations are often bureaucracies of a sort rather than local community organisations.

Implications for the Area Assistance Scheme

In 1999/2000, 87% of DUAP managed AAS fund distribution went to local management committees and local councils, while State-wide voluntary organisations and religious organisations received only 7% of these funds – down from 13% in 1998/9.

These organisations do play a vital part in human service delivery and the only issue for the AAS is that State-wide voluntary organisations and religious bodies not be confused with local initiative and community self help. The relationship between the role of these organisations and community self help requires some definition and policy development.

The private sector's public responsibilities

Despite the rhetoric about public/private sector partnerships, in Australia these are still largely confined to what in the UK is termed 'first generation partnership', those in which the public sector pays the private sector to provide built infrastructure. Second generation partnerships are those which involve a three-way partnership between the public, private and not-for-profit sectors. In the UK, these three-way partnerships, largely driven by Single Regeneration Budget Challenge Funds (of both UK and European origin), make funds available for urban regeneration. The way it usually works is that the public sector applies for the funds, the private sector contributes skills, in-kind contributions, and developer (S94) contributions and the not-for-profit sector contributes needs assessment and community program planning.

At their best these partnerships as a whole:

- 'enlarge the potential community benefits of development projects by maximising and integrating the impacts of S94 and in-kind developer contributions',
- 'increase public and voluntary sector understanding of development and private sector business processes, and
- assist the private sector to see the importance of political accountability and the reality of community needs'.[24]

These outcomes go well beyond assumptions about the greater efficiency of the private over the public sector or the gulf between the private and community sectors. In addition, these second generation partnerships reflect the considerable benefit to private businesses of robust community infrastructure.

Implications for the Area Assistance Scheme

At present, currently funded organisations are in receipt of some generous amounts of sponsorship from private sector organisations including businesses and foundations, see **Attachment 3**. There is potential, however, for these relationships to be broadened and increased. To achieve this, assumptions in some parts of all three sectors will need to be challenged and ways found to facilitate a better understanding of the opportunities for collaboration and complementarity.

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24. Ziller, Alison 1999, Discussions with Partnership Practitioners, Australia Street Company. Paper prepared for Landcom.

Part 3: The way the Scheme currently operates

This section examines aspects of the Scheme's current operations which could be improved. However, it is important to note at the outset how comparatively well the Scheme is run, particularly having regard to the paucity of administrative resources which it is currently allowed. This is close to a consensus view of client organisations, many of which also deal with other grants schemes and other departments. In addition, this is the view of the consultant team.

It is apparent that there has been a considerable effort to implement many of the recommendations of the 1996 Triennial Review and there have been marked improvements in the way prospective 'pick ups' are handled and administrative efficiencies have been achieved. Among the aspects for which the present administration of the Scheme is praised are:

- clear guidelines in plain English which are easy to use and foster consistency,
- flexibility and a truly bottom up process,
- streamlined administration including the project accountability processes,
- efforts to involve 'pick up' departments at an early stage of ranking and decision making,
- the Scheme contributes to and makes good use of social profiles and demographic data prepared for local councils' social plans,
- the advice and support roles of CPOs and DUAP AAS Regional Coordinators are invaluable.

Nonetheless there are areas where improvements could be made. These are all in regard to the more difficult issues which confront a grants program like the AAS.

Local and regional plans and priorities

There are real theoretical difficulties in asking a group of people to make a plan about matters over which they have little control. The whole purpose of a plan is to effect action. The capacity to make a plan is very much enhanced by where the plan maker is in the decision making hierarchy. Thus strategic plans are made by heads of divisions and organisations and operational plans are made by the heads of operational sections and so on. Local Ranking and Regional Advisory Committees (RACs), however, have no capacity whatsoever to implement any plan for their area. It follows, therefore, that all these committees are in a position to do is to identify some local or regional priorities against which to place applications for grant funding.

It is difficult, therefore, for an advisory body such as a Regional Advisory Committee to develop a plan that is real. Not only does the RAC have no power to implement anything, but also it can only make recommendations based on the choices it has before it, namely the submissions that have been made.

The Policy and Procedure Guidelines call for AAS plans to be made. The intention of these plans, which is to assist the RACs consider and rank submissions on an informed and holistic basis, is appropriate, however a plan as such is probably not quite the right vehicle. Alternative mechanisms to achieve the same aims should be considered.

There are a number of alternative processes available which would be less paper driven, more educative and building of networks and just as consistent in terms of supporting community self help. For example, if the AAS were to sponsor local area or sub-regional annual conferences, facilitated to allow participants to discuss priorities and set out a broad agenda for funding decisions, this process would achieve some important networking and educative outcomes as well as a much shorter, but nonetheless useful and relevant, document.

These conferences could also be addressed by members of the relevant Regional Coordination Management Group (RCMG), thereby providing both members of the RCMG and members of the AAS committee with an opportunity to hear from each other and to place their work in a relevant context.

Regular contact between the AAS committees and the relevant RCMG might also provide a mechanism to ensure that the same project was not funded twice and the process might even become sufficiently streamlined so that proposed 'pick up' projects could be referred to the RCMG for agreement prior to funding. It would be important, however, to ensure that the RCMG did not otherwise become the assessment and recommendation body as this would detract seriously from the Scheme's bottom up process.

Two tier recommendation making

There are mixed views among stakeholders about the value of the two tier recommendation process.[25] At present AAS applications are submitted to councils before they go to Regional Advisory Committees for assessment and recommendation to the Minister. This two tier process is slow.

In addition, a number of the people who attended consultation workshops for this Review said that the local ranking process is very open to undue influence by locally prominent individuals, or by the local council, the size of whose presence on the Local Ranking Committee is inconsistent with the fact that the council often has its own applications before the committee. Other people believe that the council should be part of this process and that its presence anchors the deliberations of the committee into the social plan and community services facilitation roles of the council. However, this benefit could be achieved in a number of other ways.

25, The two tier recommendation process is described in the Introduction.

At the same time, there are clear problems with the Regional Advisory Committees now that the DUAP regions have become so large. RAC committee members can no longer reasonably be expected to be acquainted with all the local communities and their community infrastructure throughout the entire region. Since the committee members are unpaid, it is not realistic to expect them to commit free of charge the preparatory time which would be necessary to achieve this level of understanding. The attempt to have one Regional Advisory Committee for the whole of the DUAP North Coast Region, which runs from Taree to Tweed Heads, was unsuccessful and RAC members in other regions complain about the distances they have to travel to meet with their regional coordinator.

There are, therefore, a number of difficulties here associated with the structure of the local committees and the size of terrain of the regional ones. A one tiered assessment and recommendation process, operating at a sub-regional level, of say four or five councils, would address these issues by ensuring that:

- local people sit on the committees which make the recommendations,
- no one council or individual would dominate the committee, and
- a lot of time, which a two stage process requires, would be saved so that the elapsed time between project submission and the Minister's decision could be considerably shorter.

Death by insecurity

The AAS, as noted in the Introduction to this report, has a history of review and of attempts to close it down. A number of representatives of local community organisations and a number of CPOs have pointed out that it is very difficult to sustain local enthusiasm for a Scheme that seems to be always either being changed or under threat.

The loss of enthusiasm seems to affect not only the amount of unpaid time that people are willing to put into developing a submission for an AAS grant but also the amount of volunteer time that funded projects are able to attract. Workshop participants reported that members of local communities become discouraged when they find that the worthwhile project to which they are giving unpaid time is only funded for a short time and/or will not be picked up.

Death by insecurity is close cousin to death by a thousand cuts. Neither are conducive to either a stable community grants program or the conditions required to promote community self help.

Equity and equality

Although the Guidelines include requirements for EEO and for Access and Equity, it is evident that many people on ranking and advisory committees as well as in local community organisations are confused by these two terms.

It seems to be much easier for some committee members, for example, to think about sharing the available funds out between neighbourhoods or localities than to think about local community needs in terms of securing equal outcomes. The latter requires people to think about what special measures to put in place for members of various groups so that their opportunities are equal, ie how to treat people differently so as to achieve equal opportunities or outcomes. What many people are much more comfortable with is treating everyone in the same way.

The whole idea that *same* treatment is *equally fair* treatment is readily demolished by a few examples (the flight of steps is encountered by everyone but is not the same barrier for everyone; the distribution of information online is available for everyone, but not everyone can get online easily). However, it requires courage to make special provision for different needs, particularly for those of minority groups. There is an important leadership role for DUAP in this regard.

This is a critical area for DUAP to address, particularly if the Scheme is extended to cover the whole of the State. In that eventuality, the criteria for funding distribution would need to shift from a per head of population basis to other criteria based on levels of community self help capacity and levels of community infrastructure in place. In this scenario, the Department may need to ensure that the policy framework states the basis for providing support and funding on the basis of degree of exclusion or level of socio-economic inequality, for example.

Interest, influence and integrity

A short read of any daily paper will demonstrate that many people suffer an inability to perceive their own vested interest but a great capacity to notice other people's. This can be observed for all levels of government and is not confined to the public sector.

The AAS Guidelines contain suitable requirements about conflicts of interest and probity in the ranking and recommendation processes. However, feedback at the workshops suggested that words on a page are not enough to achieve good practice. Although the procedures are there to manage conflicts of interest it appears that some Chairs have difficulty in enforcing these procedures or appear to underestimate the ways in which a vested interest can be exercised, for example by a person who declares an interest but then remains in the room.

The sum of vested interests presenting at any committee meeting might be reduced by further specification of the committee membership and it seems that the procedures for recording interests declared and the action taken are not always followed. Further, apparently some Chairs are unable to resolve a dispute when one committee member asserts that another has a conflict of interest and the latter person denies it.

The exercise of vested interests is keenly felt in local communities competing for scarce funds and there are wider benefits than just to the Area Assistance Scheme of increasing vested interest literacy and good practice in local communities. These benefits would flow on to other community organisations and the practice of local democracy in general.

Findings

The terms of reference required the consultant team to focus on two main questions:

- 'the fundamental rationale for the Scheme and its relationship to other relevant grants programs, and

- in the light of 1 (and if the conclusion is that the Scheme should continue in some form), the appropriateness of the changes which have been made to the Scheme since the last triennial review and strategic directions for the future of the Scheme.'

Among the wider issues affecting the Scheme's rationale and focus, the terms of reference suggest consideration of:

- 'urban and regional development trends and associated pressures on community resources;

- trends in government and local councils in terms of support for community development/ community strengthening initiatives;

- relevant developments in other grants programs; and

- the impact upon the program of the changes previously made to arrangements for 'pick up' funding';

- whether the Scheme has any features and "added value" which distinguish it from other related grants programs; and

- the regions to which the Scheme has been and should be applied.

In regard to the second main term of reference, the Review is to examine:

- 'the outcomes that the Scheme has achieved over the past three years

- the appropriateness of the direction in which DUAP has been taking the AAS

- whether the Scheme is best administered by DUAP or another agency

- priorities/models for future program management

- the role of local government in the administration of the Scheme

- required resources of program management assuming "best practice" grants management benchmarks, and

- effective models for allocating resources across the regions covered by the Scheme.'

This Review finds that:

1. The Area Assistance Scheme is a worthwhile Government initiative which provides good value for money to the Government, to local communities and to the people of NSW as a whole, in both direct financial and indirect or non-financial ways.

2. The Area Assistance Scheme is unique. It is consistent with other Government priorities such as Strengthening Communities and Social Justice, and it is consistent with DUAP's goal of achieving liveable communities. However, it is the only Government grant program focused on supporting community self help across the broad spectrum of community infrastructure.

3. The Scheme has widespread community support. It is also well established in the areas in which the Scheme operates and in these areas the regular consideration of community infrastructure needs by local people constitutes a source of experience and practice which is valuable and should be built on.

4. In the interests of equity, social justice and community wellbeing, a Scheme which fosters community self help and promotes community infrastructure should not be confined to one geographic part of the State.

5. The changes made to the Scheme in the last three years on the basis of the findings of the last triennial review have been appropriate and conscientiously undertaken. The way is now open for the Government and the Department of Urban Affairs and Planning to build on these changes.

6. The Scheme is directly relevant to the core business of the Department of Urban Affairs and Planning, and more directly related to this Department's responsibilities than to those of any other State Government agency. DUAP should continue to manage the Area Assistance Scheme.

7. While local councils have had a key role to play in the Area Assistance Scheme, most local councils are not strongly engaged in community self help to improve community infrastructure. It is in the interests of local government authorities to be more active in this area and they should be assisted to do so.

8. 'Pick up' funding is an essential component of the Scheme and should be continued at least at its present level.

9. The resources currently allocated by Treasury to the management and administration of the Scheme by the Department of Urban Affairs and Planning are inadequate even for the current operation of the Scheme.

The Area Assistance Scheme has been in existence for 20 years. Without needing to set up a new Scheme, the State Government has at its disposal a mechanism which has gone through its teething problems and is ready and available to be refined and extended both to the rest of the State and to some areas of community infrastructure which have received relatively little attention to date.

Attachments

Attachment 1: Summary of regional consultations

Summaries of participant contributions at regional consultations

The following pages summarise contributions made by representatives of organisations currently funded by AAS, Community Project Officers, members of the 1999 Regional Advisory Committees and representatives of local and regional community organisations which are currently unfunded at consultations conducted for this Review in the AAS regions during February 2000.

At each consultation participants were invited to respond to the following questions:

- In what ways has the AAS Scheme benefited the community in your council area(s)? For example, what tangible short term or long term benefits have been achieved?

- How would you describe the main role which the AAS plays in community development processes in your council area?

- What works and what doesn't work about the procedures that apply to the Scheme at the moment?

Participants' responses were collated both from summary points written in small group discussions by participants and from the notes taken by the consultant during whole-of-group discussions.

These two sources of data have been summarised as dot points. The dot points show at which consultation an issue was raised, namely at Lismore (L) or Port Macquarie (PM) in the North Coast region, Maitland or Newcastle in the Hunter and Central Coast Region (H), Liverpool in the Western Sydney and Macarthur region (WSM) or at Dapto in the Illawarra (I).

Some points, as the summaries indicate, were made at all consultations, and some are unique. However, no attempt has been made to quantify, other than by geographic spread, the number of times a point has been made. Thus, what the following summaries show is the sum and range of issues raised, and where they were raised, but not how frequently any one point was mentioned. As well, within any one workshop and across workshops there was some diversity of views and this diversity is reflected in the summary.

Benefits to community from Area Assistance Scheme

What community project officers said

- AAS funds a range of services that are responsive to locally identified community needs (WSM,L,I,H); the backbone of community services infrastructure in the region was/is based on AAS funding (WSM,H); the presence of a community services infrastructure enables rapid response to emerging issues and crises (WSM)

- There has been a huge job creation impact in the region, especially due to 'pick up' of competing projects by DOCS or councils and the capacity of many projects to sustain themselves after AAS funding expires through other grants from a wide range of sources (WSM). Other examples: Casino Council has picked up funding of a youth worker and youth centre and has supplied the centre with computers and internet connection (L). In addition to jobs, AAS has created opportunities for an enormous number of volunteers (H). Job creation, social capital and opportunities for community self help create healthier communities (WSM,I)

- The AAS provides local government with a community development worker; keeps community development on the agenda of councils; acts as a catalyst for a range of self help projects (L,PM,I). AAS led local government into community services and the program helps to inform elected local reps on social issues (PM); AAS requires councils to talk to their communities and to get involved in community development (H)

- AAS builds on ideas from the community, has a grass roots base, creates networks, promotes social capital (WSM,H); fosters a sense of community and cooperation (L); bottom up not top down–builds local ownership and commitment (PM); builds trust between council, community and CPOs (PM,I); addresses need not supported by other funding bodies, eg community halls provide a lifeline in rural communities (PM,I)

- There is a high level of community ownership of funded projects (WSM,L,PM,I); AAS provides the glue which keeps the community together (PM); AAS facilitates empowerment of people to make decisions and solve issues – builds social capital (H); the AAS process is known and trusted due to the length of time it has been running

- AAS projects provide models for other innovative service delivery, including models of good community development process, eg Solo Dads Project at Rooty Hill, Foodshare for Seniors – seniors buy food purchased at wholesale prices and donate volunteer time to community projects; eg employment of Aboriginal support worker extended influence into mainstream services (Kiama) (WSM,I); Crisis Accommodation Service, Nambucca presented a new model (PM)

- A large number of projects get funded which would otherwise fall between the more inflexible funding categories of other government departments – this especially applies to innovative kinds of projects, such as research projects, No Interest Loans Schemes, and small projects that otherwise would not be able to get up such as the Older Women's Network, Toy Library and the Aboriginal Men's Group (all in Macarthur), a social support network for people with a psychiatric disability (Blue Mountains), programs for Aged Abused and for Well Aged (Penrith) (WSM); some of these innovative programs then get picked up by main-agency providers, eg the Goobah Goobah Theatre Company's Aboriginal drug and alcohol play (L)

- There has been a skills development benefit from members of the community participating in consultations, planning processes and submission writing (WSM,I,H); transport demonstration project (L)

- The needs assessment and prioritising developed for AAS is used by councils in developing their social plans; the AAS needs assessment had legitimised many local needs (WSM,L,I); AAS can be a springboard for community planning (PM,H)

- Access and equity principles in AAS guidelines have spread to other social planning activities and program implementation (WSM)

- Funding on a regional basis has brought agencies together to identify regional needs. This has facilitated cross-LGA projects and fostered closer working relationships between councils (WSM, L)

- AAS provides professional development opportunities for CPOs and provides them with new perspectives (PM)

- AAS programs have helped Aboriginal people take control of their lives, eg funding for Aboriginal Development Office in Kempsey Neighbourhood Centre has encouraged reconciliation process, set a national precedent for a council apology for the "Stolen Generation" (PM); funding an Aboriginal worker has assisted Reconciliation in the rural community (H)

- Small dollars – big impact. AAS funding can establish a snowball effect, eg $1500 to an isolated rural village to develop a pre-school, encouraged APEX to join in, empowered the community, built a sense of cohesion and a sense of achievement (PM,I)

- AAS is one of the few grants programs which gives small as well as larger communities an opportunity to gain funding (H); it has the capacity to fund projects which are not mainstream(H); minor capital expenditure in small rural communities has created enormous community benefits (H); in some areas almost every community group has been seeded or has benefited from AAS (H); rural communities continue to need small infrastructure grants (H)

What RAC members said

- AAS has made a significant contribution to social infrastructure and to community services infrastructure (H)

- The Scheme creates social capital because of its grass roots approach which is a major strength of the Scheme (H)

- Local people with specific knowledge of local needs have made use of the Scheme for start up funding for specific staff (Wollondilly), for specific projects (Campbelltown), for regional programs (Macarthur, WSM)

- The Scheme has led to the production of a variety of products such as training manuals, photographic exhibitions, quilt exhibitions. It has provided a stepping stone to longer term project funding. (WSM,L)

- AAS has influenced councils to include their communities in the social planning process (WSM,L)

- Many councils are more aware of issues because of the presence of the Scheme in their region and an awareness of community issues and the availability of funded positions has influenced the structure of councils (Baulkham Hills) (WSM,L)

- There has been a heightened awareness of needs and the availability of funds to implement programs which address those needs. Much needed programs have been initiated (WSM,L,H)

- AAS program provides an opportunity to highlight DUAP's social responsibilities to address issues of isolation, domestic violence, child abuse in fast growth areas. (WSM,L,H). It provides a mechanism to respond to crises, eg youth suicide project in Wingecarribee (I)

- The AAS, through its broad spectrum of funding, enables a variety of causes/issues to be highlighted and leads to more creative/innovative funding responses (WSM,L)

- Target groups within communities, such as young people, women, children and multicultural groups, have been assisted and isolation broken down (WSM,I)

- The assessment process encourages cooperation between communities through vertical integration and the consensus model (WSM); builds a sense of community and encourages regional cooperation through funding for regional projects, eg Illawarra Forum) whilst also encouraging grass roots development (L,I,H)

- Community networks have been established, eg Older Women's Network in Campbelltown; Food Share in Hawkesbury Shire (WSM)

- Funded programs encourage healthy, cohesive communities and there is therefore less need to use health services. (WSM,L)

- Availability of small grant funding allows projects to be funded which are responsive to local needs but do not fit into councils' community grants schemes (WSM,I)

- AAS encourages the implementation of councils' Social Plans, eg assisted with the funding for a NESB worker at Liverpool (WSM,L)

- AAS provides an opportunity to bring community driven initiatives to the attention of other Government departments (I)

- There has been a strengthening of links between Neighbourhood Centres, local councils and the State Government (WSM)

- Nearly every community has capital works/equipment (including technology) which are easily identifiable as benefits funded through AAS (L,I)

- AAS provides training and development support for community organisations (I)

What currently funded organisations said

- AAS projects increase the self esteem of the community with some measurable results such as reductions in crime; they improve quality of life and raise community morale; they foster community connectedness (WSM,PM,H,I,L).

- AAS fosters a civil society through the creation of a social infrastructure (H)

- AAS facilitates cooperation and collaboration between public, private, education and third sectors (L,WSM,I); brings people together on a regional basis (H)

- AAS encourages diverse projects providing opportunities to cross traditional departmental boundaries. Complements S94 levies (WSM,I)

- AAS facilitates local communities to identify their needs through a bottom up process and encourages local ownership of priorities and decisions (PM, I,WSM); this is its major strength (H)

- AAS is a means whereby service gaps, facility shortfalls and local needs are identified and met (L, WSM, PM) It encourages decentralisation of services (I), eg Port Stephens area would have very few community based services without HAAS (H). It encourages funding for disadvantaged and marginal communities which addresses local needs (I)

- AAS projects provide opportunities for employment (L,WSM,PM,I,H)

- AAS projects create opportunities for volunteerism and so adds volunteer hours to the sum of community resources (L,WSM,PM,I), eg funding for a Mobile Toy Library created 800 volunteer hours p.a. (PM), Homestart Maryland/Minmi creates 4,000 volunteer hours p.a. (H) CRC Justice Support creates 6,000 volunteer hours p.a. (H)

- AAS builds skills through community based management of funds (I)

- AAS provides a vehicle for bringing other grant funding into the community (H)

- AAS provides information services and delivers community education and training in areas which other Government department don't touch (H)

- AAS is a vehicle for addressing emerging issues, pilot projects, small capital equipment purchase and infrastructure seed funding – eg men's groups which address domestic violence, respite for carers of mentally ill, addressing homelessness among people with a mental illness, support groups for people with a mental illness, information and referral service for people with disabilities (L,WSM,I,H)

- AAS encourages flexibility, innovation and experimentation (WSM,I); AAS encourages integrated planning which links local and regional needs (WSM,I); 'takes pressure off other services, eg police (PM); 'takes risks on a small scale' (H)

- AAS, through its focus on social justice principles and addressing disadvantage encourages the development of community networks, funding for target groups and the strengthening of social capital (WSM,PM,I), eg funding of projects which focus on decreasing isolation through encouragement of social interaction for over 50s, providing opportunities for the wisdom of older people to be valued, funding for local remote facilities encourages their use and strengthens their role as the centre of those communities; funding for youth support projects. AAS ensures access and equity in the provision of cultural services (H)

- AAS facilitates access to funding for small organisations (WSM,I), opportunity for very small and outlying communities which often provides a catalyst to encourage remote groups to seek further funding (PM); helps spread government funds to regions (H)

- AAS provides affordable services for the community to access (free or low cost) (I)

- AAS provides continuity of service and evaluation which encourages support to be found elsewhere and the program to be expanded (I)

What other community organisations said

- There have been huge job losses in the regions due to the closure of Federal and State Government offices and this has affected the capacity of remaining services to add to their service provision. AAS helps to fill some of the gaps and has provided start up for other organisations (L,I,H)

- AAS creates some jobs and delivers a substantial number of volunteer hours to the community (H)

- AAS is flexible, reflects local issues and knowledge (L,I)

- AAS encourages intra-regional cooperation and support (L,I)

- AAS provides the opportunity to pilot innovation in service delivery and projects have been given an opportunity to 'prove they work' (WSM,I)

- AAS is particularly useful in meeting newly emerging needs (eg groups for men regarding domestic violence issues) and/or the needs of new groups (eg the most recently arrived migrant groups) and previously overlooked groups (such as some disabled groups). Groups in all these categories tend not to qualify for mainstream funding (WSM,I)

- AAS funded programs fill gaps in mainstream service provision, eg the Special Needs worker in the Wollondilly/Camden Family Support Service and more generally in the provision of services for young people; AAS gets things started (WSM,I,H)

- AAS projects contribute local and regional data for social planning purposes (WSM)

- The funding of equipment and capital works offered by AAS is often the only source available (I)

Role of Area Assistance Scheme in community development

What community project officers said

- AAS is DUAP's social role in new release areas; it is the only progam by which the Department deals with social problems such as isolation, domestic violence and abuse, which result from the provision of housing well before the provision of social services and facilities (WSM); often the AAS provides the initial core funding for the whole social service structure for an area – the starting point (H)

- Councils, DOCS and other Government departments are riding on the back of AAS because they do not provide growth funding (H); AAS helps broaden the role of Neighbourhood Centres, DOCS wants Neighbourhood Centres to work only with the most disadvantaged in the community (H)

- AAS Scheme constrains councils' economic rationalism (WSM)

- AAS encourages councils to undertake social planning and contributes to these plans; it helps councils collaborate with community organisations and develop priorities (WSM,L, I,H); AAS has raised awareness in local councils of the importance of social planning and community development (H)

- CPOs provide demographic and other data which supports social planning processes (L,H)

- The CPO is seen as objective and neutral and in a researching/supportive role (L), CPO can make links, encourage collaboration and remove competition through acting as the central local application processor (PM)

- AAS has brought about changes to councils' staffing structures due to the pick of positions and functions (WSM,L); AAS funds CPOs who are often the only community development worker in the local government authority (L); engages CPOs in the community development process (H); without AAS, community development processes in councils would not be as effective (H)

- AAS provides one of the major strategies for consultation in the region and provides a link between community groups, local government and State Government in the region (WSM,I); the AAS consultation processes model open, transparent and participatory process; the AAS has been the cornerstone of getting communities to articulate their needs. (WSM,L,I); the AAS provides processes to incorporate 'grass roots inputs' into strategic planning (H)

- AAS builds social capital in the region, empowers small rural communities, and supports community development(WSM,L,H,PM,I); communities have become better informed about the services available to them (H)

- AAS provides a mechanism whereby local needs can be met as distinct from the criteria and priorities of other departments' grants programs being met. (WSM,L); it allows an inclusive, documented and consultative approach to solving community issues (H)

- AAS takes a holistic approach to the needs of local communities (H)

- AAS provides coordination, advocacy and an accessible grants program to small community groups whose projects/needs would otherwise go unaddressed for want to a coordination point. It gives groups a sense of hope that they can start to implement something (L,I)

- AAS provides a community linking role with council on managing and auspicing responsibilities in community development (PM)

- AAS promotes integrated community development – TAFE, State and Federal government departments, councils, community organisations (PM)

- AAS supports staged development of programs and facilities, eg funds to renovate/maintain village halls Year 1, funds to support programs and services Year 2 (PM)

- AAS offers skills development opportunities for community based managers (H)

- One of the benefits of AAS is that it allows projects to be trialled and in this way supports innovation in dealing with social issues (H)

What RAC members said

- AAS represents DUAP's role in community development and provides opportunities for a social role for the Department (WSM,H)

- AAS fills funding gaps and provides access to funding for groups that may not be eligible for other grants programs, including mainstream providers (WSM,L,I,H)

- AAS helps to establish and support programs that link communities and it creates opportunities for employment, training and new initiatives (WSM,L)

- AAS acts as an advocate to council – a big stick and a carrot– and provides incentives for councils to consult with their communities and to consider big social issues at council level. It provides a training ground for the introduction of social plans. It places pressure on councils to respond to needs (WSM,I)

- AAS identifies local community needs and issues and then develops projects which respond to those needs at a local level (WSM,L,H); AAS has regard for the benefit to the whole community, not just to tiny groups in the community (H)

- AAS encourages and invites consumers to be involved. It breaks down barriers and brings different community members, groups and government members together to prioritise issues, identify needs and gaps whilst developing an understanding of community trends and aspirations. The Scheme has the capacity to reflect short and long term social planning goals (WSM,L,I)

- The AAS process is empowering and lends itself to innovation and the development of new ideas, eg it provides opportunities for links to be established between formal and non-formal groups such as Department of Health and Wollondilly Youth Services. The Scheme also gives NESB communities a real voice. It provides funding for women and children (WSM,I); Consultation is a key process of the AAS (WSM,I)

- AAS isn't as prescriptive and narrow as other funding schemes (L)

- AAS is one of the few programs which 'funds the recurrent' (L)

- 'Being in sync with the priorities of Government departments is not necessarily a good thing' (L)

What currently funded organisations said

- AAS projects fill gaps in mainstream service provision (L, WSM,H)

- AAS provides resources for disempowered and isolated communities to engage in community self help (WSM,PM). It supports committees of management which are community based and encourages skills development (I)

- AAS acts as a catalyst through seed funding innovative projects which are often picked up /copied by mainstream agencies when they have been shown to be successful; responds to local needs which large departments may not recognise (WSM,I,H)

- S94 doesn't work, it doesn't provide new release areas with necessary infrastructure when it's needed by the people who go to live there (WSM)

- AAS allows for cultural and arts-based activities to be used for community development purposes – a more diverse and often more effective approach than mainstream welfare agencies employ – people enjoy themselves! (WSM,H)

- AAS welcomes the views of the community, encourages community activism and collaboration and the identification of needs and fills gaps in service provision (WSM,PM,I,H)

- AAS provides the only opportunity for DUAP to carry out its role in social planning and building social capital (WSM)

- Funded CPOs act as advocates for community needs, they have produced social plans and act as catalysts for community development in councils which are stuck on roads, rates and rubbish (PM); as well, social plans contain data which is useful to community organisations and to which they would not otherwise have access (H)

- AAS provides funding which acts as a preventative since it encourages the identification of need at an early stage and through its funding can avert crises (WSM,PM,I,H)

- AAS provides opportunities for new innovative services and projects – with both long and short term spin offs; provides an opportunity to pilot new approaches without introducing a State-wide program (WSM, PM,I,H)

- AAS provides the only funding for community development programs (WSM), eg access to AAS in new estates and backlog areas facing urban consolidation enables infrastructure needs to be met. What other scheme could fund this?

- AAS enables NGO staff to directly focus on service provision rather than fundraising (WSM)

- AAS encourages the establishment and development of local identity and a sense of belonging and recognises a bottom up approach through community consultation rather than a top down process (WSM,PM)

- AAS gives a voice to the community and values individuality and diversity; it promotes a civil society (WSM,PM,H)

What other community organisations said

- AAS creates networks across the region, fosters regional problem solving and promotes community self help (L,I,H)

- Its bottom up approach (unlike that of DOCS and ADD) facilitates local needs assessment and priority setting on ranking committees (WSM,I)

- AAS is flexible, it is possible to adapt projects to emerging needs after the funding agreement has been signed because the funding agreement is somewhat flexible – unlike the funding agreements of other agencies (L)

- Marginalised people who do not use mainstream services often come to use these services after being part of an AAS project, eg Lismore Young Services, use community transport, return to education (L)

- Some AAS projects act as pilot schemes and provide a starting point for community development, eg Byron community transport project demonstrated a demand for bus services which private bus operators are not providing; it also brought public and private bus operators and taxi companies together and their discussions resulted in an overall increase in service provision (L)

- AAS funds both small and large projects. The small projects have value because they help new organisations get started/act as seed funding for new ideas. If only large projects are funded this will tend to mean that there is no source of funding for pilot schemes or innovation (WSM)

- A number of AAS projects carry out an important role in information distribution in their communities, eg the Macarthur Community Forum has taken the pressure off a number of other organisations through its information distribution role; an AAS project funding the Laotian community included information about basic services being provided to new immigrants. (WSM)

- AAS provides an opportunity for linking people and projects with appropriate Government departments which may be of assistance in the development process (I)

- People and community feel ownership of the projects and are empowered by the fact that they can address the needs of their own community (I)

Main benefits of current procedures

What community project officers said

- The Guidelines have increased accountability, fostered consistency and transparency and ensure that consultation takes place (WSM)

- The Guidelines and the processes for appointing members of the RAC ensure access and equity requirements are implemented (WSM)

- Regional decision making is better than departmental decision making remote from regions (WSM); devolvement of responsibility works well (PM)

- Local ranking is one of the strengths of the process and local groups should meet with the LPC (WSM,L,I)

- The lack of clear boundaries between the AAS and other grants programs is one of the strengths of the Scheme – feeds flexibility and responsibility into the system (WSM); AAS is a good scheme because it is flexible and supports diversity (H)

- The three year planning framework allows the Scheme to focus on a range of needs each year, giving better access to smaller, less vocal communities and their needs (WSM). The process provides opportunities to identify areas of need within a locality and a region, even though projects may receive a low ranking (I)

- The application form is simple, short and concise (L,I)

- A CPO in each LGA means better submissions due to face-to-face assistance (L,I); the role of CPO in providing support is very positive in community self help (H)

- RAC is democratic, cooperative, flexible and disciplined (PM)

- Assessment and evaluation process for pilot schemes generally ensures success and demonstrates that the ranking model works well (PM,I)

- The Regional Coordinator is an essential linking component, providing good support and communication and CPO meetings with Regional Coordinator are critical (I)

What RAC members said

- DUAP doesn't have a vested interest in the way community development funds are expended and this is a good thing because the Department is not trying to hijack funds for particular kinds of community services (H)

- The process brings together a diversity of people including community, elected and Departmental representatives (WSM,I)

- The process required in the Guidelines requires a mix of reporting documents and CPO evaluation which invites accountability and the development of expertise and management structures (WSM,I)

- The identification of priorities is encouraged and has improved the process (WSM,I)

- Regional Advisory Committees work well (WSM); having two Regional Advisory Committees in the Hunter has worked well for that region (H)

- The Scheme provides a good way of getting information up to the Department (WSM)

- The appendices are good (L)

- The Guidelines are in plain English (L)

- Identification of 'area' projects is worthwhile (I)

- The encouragement of community input and opportunities to get grass roots perspectives empowers citizens (I,H)

- Encourages input from community representatives who feel their views are respected and that it is worthwhile being involved (I)

What currently funded organisations said

- In comparison with a lot of other grants programs, the guidelines are quite well done – clear, simple and electronic – and there is also a CPO who can help explain (L,I,H)

- Applications are relatively simple and easy and encourage the development of trust (WSM), workshops on how to write a successful submission are effective (PM); open forums with Integrated Local Area Planning staff work well (H); AAS links into other local council planning processes (WSM); the application process helps focus on the local rather than the regional (WSM,PM)

- It's a good thing that organisations don't know who is on the local ranking committee so they can't lobby them (L), LRCs work well (PM,I); LRCs know about local need (H)

- The community profiles that get prepared for AAS projects are a great resource for all sorts of purposes (WSM,P,HM)

- The accountability procedures are not too cumbersome, they don't take up too much time (WSM,PM,I)

- Reporting procedures are not onerous but are rigorous (I)

- New arrangements which require 50% of members of Ranking Committees to leave every two years is a benefit (PM)

- AAS staff are friendly, helpful, and open minded and CPOs are accessible and good at resourcing projects because they are based at local councils (WSM,PM,I,H)

- When a project gets adequate funding the potential benefits can actually be realised (WSM)

- Regional consultations encourage wider community consultation (WSM)

- Flexibility encourages innovation, pilot projects and a holistic approach that goes beyond Departmental structures (WSM,PM}

- Direct $s to the community encourages accountability, participation and ownership and establishes DUAP's role in social planning (PM,I)

What other community organisations said

- Having a CPO and a Regional Coordinator to provide advice and support the submission writing process is good (L,WSM,I); the role of the CPO in providing advice, demographic and other data and various forms of assistance is critical (H)

- AAS is much better than DOCS grants which are very top down and prescriptive, the documentation is very structured and inflexible and purely based on numbers – no qualitative input, no consultation – and DOCS grants are not done as a partnership (L)

- Funded agencies do their own evaluations and so they can tailor them to their project and its circumstances (L)

- Community participation in the process works well (I)

- The new guidelines which require a change of membership for the ranking committees opens opportunities for new faces without prejudice from the past (I)

- $ are good but the bucket needs to be bigger (I)

- Competition for funds gives organisations an opportunity to weigh up their own project against others (H)

Main problems with current procedures

What community project officers said

- Constant change introduced without adequate time to implement and monitor (eg funding cycle keeps changing, amount of new money keeps changing) creates uncertainty in the community and undermines confidence in the Scheme; creates the impression that departmental support is wavering (WSM ,L); constant change and challenge to the Scheme risk death by a thousand cuts and create apathy in the community (H)

- Support from regional offices of DUAP (other than from the regional coordinators) has been insignificant (WSM)

- The reduction in the number of community and councillor representatives has reduced diversity of representation (WSM)

- The form is inflexible and does not allow supporting comments or documentation (PM)

- Appointment of community representatives by the Department has taken control away from the community (WSM)

- Every year as part of the process, council representatives on the RAC reported back to council about the recommendations. This year this procedure is seen as a breach of confidence (WSM)

- Under resourcing of the Scheme and the cuts in the budget at DUAP regional office level have overloaded regional coordinators (WSM,L,PM). Could go back to sub-regional groupings – there are also problems with cross-over and non-complementary Government regions (PM)

- In 1999 there seemed to be a lack of commitment on the part of some Government departments to participation on the RAC (poor attendance, haven't read papers, try to do it all in one day without scheduling for interviews – keep some people waiting all day, haven't read or don't follow the Guidelines, eg decisions are made in order to fit the $ available rather than on the basis of need) (WSM)

- 'Pick up' by DOCS can erode community development focus of Neighbourhood Centres where DOCS etc overemphasise numerical accountability and fail to recognise the social value of referral, advice and assistance (PM)

- Not enough time for the RAC to do its job and the community representatives on the RAC should be paid (L)

- Terms of members of the RAC should be reviewed so as to foster both build up of skills and turnover – it is a bit of a closed shop in some areas (WSM)

- Conflicts of interest among some local ranking committee members biases outcomes (WSM), conflicts of interest are known to all and therefore are not tolerated at local ranking level (L); LRCs are full of vested interests, these should be declared in writing at the start of the process (H); elected representatives are more likely than community representatives to exercise influence on the LRC (H)

- Local ranking committees and regional advisory committees need training, especially in access and equity issues (WSM,L)

- People spend a lot of time preparing submissions and then wait months for feedback after the local and RAC ranking decisions have meant there is no real likelihood of being funded. This affects their capacity to plan and their willingness to put a lot of effort into a submission (WSM,L,PM)

- Triennial funding for larger projects would promote continuity of planning (PM)

- The system still favours those with good submission writing skills (WSM,L). Verbal presentations to LRC and RAC committees is vital (I)

- The packaging of the Guidelines is excessive (L), folders are too glamorous and a waste of money (PM)

- Some community groups see CPO monitoring as council stepping in where services don't want them (WSM)

- CPOs can have a conflict of interest between their AAS and other roles. There is also an internal conflict between a CPO's assist and support role and the monitoring role (WSM)

- Recent decision by DUAP not to fund projects which are the core responsibility of other departments has led to confusion about which projects are AAS suitable (WSM)

- The 'regional' concept detracts from local priorities (WSM). There is no coordinated approach to funding on a 'whole-of-government' level (I); the RAC may not identify with the priorities outlined in the plan (I)

- A needs based approach to setting priorities leads to a focus on retrospectivity (H); there is a conflict in the Guidelines between a focus on disadvantaged in the community and a focus on the community as a whole (H); needs driven projects are often not empowering (because they are top down) (H)

- The time-line seems to be political (March announcements) (WSM)

- The language of the Guidelines is ambiguous and the Guidelines are not widely consulted (WSM,I). The Guidelines could be made available on-line or in video format (I)

- It takes too long to announce the grants (L), unsuccessful applicants need to be advised sooner so that they can get on with alternative fund raising (PM); Community groups lose heart because of delays and scarce resources (I)

- What happened to the Aboriginal RAC? Need more Aboriginal representation and an Aboriginal CPO (PM); Local Ranking Committee requests results of Aboriginal Ranking Committee for 'overall' picture of priority projects but no information forthcoming (I)

- What happened to CPO training – it provided a useful peer support network (PM)

- Electronic lodgement of applications would be an improvement (PM)

- The administrative costs of running the Scheme has meant that some councils choose not to have a representative (PM)

- The money is chickenfeed (PM)

- Sub-regional Advisory Committees could be useful in reflecting the interests of the local region, and following their recommendation, applications could go to the RAC (PM)

- 'Pick up' is determined in Sydney and removes the benefit of local knowledge (PM)

- Holly computer program is not user friendly and is time consuming to use (I)

- Areas which have had AAS funding for a long time are now asking for projects to be funded which would be regarded as a luxury in the Hunter (H)

What RAC members said

- Cuts to the administration budget encourage less accountability, ie there is not enough time to fully develop an understanding of project applications, which can lead to bias. It has limited the availability of information by reducing administrative support. The timeframe is ridiculous (WSM)

- The ranking process is too hard, double weighting system is confusing, not enough agreement within the RAC about key concepts and the process (L,I); the real problem is when projects fail but keep getting funded (H); feedback regarding the impact of funding is ineffective (I) limited assessment criteria can lead to political interference (I)

- Not enough time given for decision making at RAC meetings, particularly consideration of pick-ups. Poor meeting and time management (I)

- Some sub-regions of DUAP AAS regions are not high growth– and conversely some high growth areas in other regions are missing out (H); disparities in the size of areas can lead to inequities (I)

- Some councils don't have CPOs and this means a missing link and inconsistency in the consideration of applications. This also impacts on timeframes (WSM)

- Some locals RACs haven't changed in 4-5 years and therefore can present a bias for pet projects. Some councils don't consider the appointment to RACs a priority and don't inform the community of the recruitment process. There is no consistency across councils and representation may not be effective. Limited turnover can lead to a narrow vision and no ideas (WSM)

- The AAS does not encourage the involvement of senior council staff. Council directors may have no understanding of community needs and issues. Because they have little understanding of the Scheme they don't support it in council (WSM)

- Local Ranking Committees and new councillor reps following local government elections on RACs need training to ensure that they know their roles and responsibilities. They need a training kit. And a job description (WSM); RACs should be provided with better information and with training about what should be funded (H);

- the Scheme is a bit too dependent on the quality of the CPO who may have a narrow view of what a local community needs, the process seems to favour larger and more articulate groups (H)

- Health and DOCS don't get asked about proposed 'pick ups' until very late in the process (L)

- Limited funds restrict the number of applications (I)

- It is not clear which Government department has responsibility for community development, a lot of Government departments do bits of it (H)

- Every year DUAP changes the process, eg the criteria for setting priorities (L)

- Community representatives and Councillor representatives on the RAC don't get paid and it takes too much time for no fee/can't expect them to take it seriously (L)

- There needs to be consistent participation on the RAC – for example 3 year terms (L)

- CPOs feel vulnerable if they go back to council without a grant (L)

- AAS regional priorities bear no resemblance to other agencies' regional priorities (and they know each others') (L,I); requirements to meet regional priorities and at the same time allow for innovation can be inconsistent (I)

- A big problem is how to make community services sustainable over the longer term (H)

- There is not enough room on application forms to provide information needed for assessment (I)

- 'Pick up' projects get too much of the cake – and there is not enough left for new projects (I)

What currently funded organisations said

- CPOs are needed to help some groups understand how to fit into the objectives and the interest and involvement of the CPOs varies (L,I)

- The forms are too small, it is virtually impossible to convey what you want to do (L); inability to provide supporting documentation on application forms prevents full picture being provided at submission stage (WSM)

- There are too many levels of decision making (H)

- There is no accountability at Ranking Committee level, eg documentation on decision making processes is open to corruption (I); the timeframe for regional ranking is unrealistic (WSM)

- There is a disparity between local and regional priorities, important projects don't get funded, there is a lack of consistency. The setting of priorities is not transparent (WSM,I,H)

- Local Ranking Committee membership doesn't change often enough and members have too many conflicts of interests, in particular local councillors (L,I,H); Local Ranking Committees must be screened to ensure that they have no hidden agendas and conflicts of interest. Role of local government members needs review since they can present/pursue political agendas (WSM,I,H); the last review set up objectives and priorities for decisions but the process still seems to be based on other criteria such as who has/has not been funded before (H); if you know the 'buzz words' you are in (H); LRC members are not always aware of some real community needs (H)

- The role of AAS and councils is unclear. Councils compete directly with NGOs for grants funds while also being very much in control of the local ranking process, this happens where councils dominate the Local Ranking Committee either through the numbers or by dominating the discussion, and ensure their agendas get funded (H); CPOs get overwhelmed by their council rep on some LRCs (H)

- Many funded organisations find the process after they have submitted their application mystifying (L); the timeframe is too long, it can be a year from idea to receipt of the grant (H,I)

- The level of regional support from DUAP has diminished (L)

- Constant insecurity about the future of AAS undermines confidence of volunteers on which many projects depend (H); long term stability of the program is undercut by the constant review of the Scheme (I)

- Some ATSI local projects with widespread support would have done better in mainstream ranking process (WSM); The Scheme is not targeted enough to non-English speaking background groups, young people (WSM);

- The consultation process needs to involve larger numbers of the community and specific target groups (WSM); more creativity is needed to consult with those groups in the community who are seldom heard (WSM)

- The process is too dependent on the CPO (WSM); if the CPO is inactive information doesn't get disseminated or is late (H); CPO relationship with local government can seem to be ad hoc and some CPOs have very full job descriptions. There is pressure on the CPO to conform or side with council objectives (WSM,I)

- The Scheme doesn't work in with other planning processes well enough (WSM)

- The lack of ongoing funding is a real issue – so much time is spent at the end of the funding period looking for new funding sources and negotiating on 'pick up' (WSM,I)

- No 'pick up' funding is a waste of development time, leads to a loss of built up goodwill and a loss of services to the community (WSM); it creates false expectations in the community (H); community development requires lengthy secure funding, not 2-4 years (H)

- Many organisations think a project should be 'pick up' but because that isn't available they apply on a term basis (H)

- New organisations undercut themselves because they think it will increase the likelihood of getting funded – then they are unable to function properly in subsequent years (WSM,H)

- No allowance is made for above award wages and there is pressure to downgrade wages leading to the appointment of inexperienced staff (WSM); high turnover of workers and committees results in a lack of continuity/body of knowledge (H); time limited projects means that staff do not stay for the full term of the project (WSM)

- Six monthly reporting often leads to a week's delay before next 6 months' cheque arrives (WSM). Financial years don't coincide (I)

- Financial claim forms are standard with consistent budget categories but the approved budget categories are often vastly different from the original standard form and amounts approved can differ from that requested without consultation (WSM); self evaluation doesn't work because there are differing levels of skill on committees (H); no allowance is made for the time needed to complete audit requirements (H)

- Unsuccessful applicants need feedback (WSM); there is no complaints mechanism, no 'second port of call' (H)

- AAS encourages the identification of need but unfunded needs are forgotten and continue to be unmet (WSM); there is a lack of Government coordination of issues and gaps identified at consultations (WSM); requirements that projects be innovative and creative doesn't allow for the provision of basic services (WSM)

- Not enough $$ to meet needs. AAS is a band-aid approach to social problems. Funds can be mismanaged (WSM,I); AAS needs more funding!! (WSM)

- Larger organisations with ample funds and resources are better able to apply for grants and small groups can feel intimidated (WSM). Written applications are difficult for some groups (I)

What other community organisations said

- Getting the budget right is very difficult, people underestimate their funding requirements and then they can't function, often overlook extras such as insurance, on costs, food, translation, childcare for participants or transport. As well, if they don't think to build in CPI salary adjustments then the worker becomes progressively worse and worse off or the hours reduce (L)

- Organisations tend to be discouraged (by CPO) from paying above base level award wages and this means they cannot hire or properly remunerate skilled workers into jobs which are dealing with a difficult client group and for which a high level of skill is required. Often the project ends up being run by a worker just out of university (L,WSM)

- The failure to provide for salary increments for staff results in loss of AAS project staff and/or the hiring of inexperienced/relatively unsuited staff to handled complex roles (WSM)

- The idea that AAS should not fund another department's core business is a very narrow and inflexible point of view and works totally against local self help (which is not so compartmentalised) (L)

- A lot of good ideas don't get up because it is difficult to show how the project will be sustainable after funding ceases (WSM)

- Too many projects lack sufficient administrative component, so some auspice organisations have to reduce the hours of their service instead (WSM)

- There seems to be no provision to prepare for the impacts of GST, including no admin time to sort it out (L,H)

- Sometimes there is just not enough money to do the job properly and then the organisation feels they have an ethical dilemma – viz. that by continuing they are colluding in a value system which allows this situation to arise (L)

- Small communities run out of auspice organisations due to lack of funding for the administrative component of their project (L)

- There is no feedback mechanism about why a project didn't get funded, nor is there a process by which a group can know that its project has not been given a high ranking by the local ranking committee, and therefore they should make other plans (WSM,I); there is no complaints or appeals mechanism (WSM,I)

- AAS has not encouraged councils to take on their community development role – eg Wollondilly Council doesn't seem to be replacing its CPO (WSM)

- Not enough is known about liaison and communication between the RAC and the Aboriginal RAC (I)

- In some areas people are over consulted – the proposal for regional consultations regarding the expenditure of the Registered Clubs Community Development and Support Expenditure Program 'is the last straw' (WSM)

- Local ranking is a highly political process, committee members favour their own 'pet projects' and there are too many conflicts of interest (WSM,H); some local committees are 'unfair' and loaded with vested intersts, they tend to give highest score to whoever speaks loudest(H); LRC members should have no connection with any application, they should try sub-regional ranking (H); to avoid conflicts of interest RAC members should come from out of the area (I)

- Far too many applications proceed to assessment. The culling process should be more rigorous since relatively few are acceptable for funding criteria (I)

- Not enough information is given to Ranking Committees about individual applications (I); decisions are made on assumptions rather than fact (I)

- Although the application form indicates that no attachments will be received, some are. There is not a level playing field (I)

- Mainstream organisations can receive any type of funding (eg councils) whilst grass roots organisations miss out (I); large charitable organisations are assumed to be 'well off' and that therefore they don't need funding because someone else will 'pick up' the bill (I);

- 'You can't ask people to collaborate when you set up a diminishing pot for a diminishing horizon in an environment of increasing levels of need – it just creates too many conflicts' (WSM)

- Councils double dip in the nomination process for Local Ranking Committees – they choose both the chair and the elected representatives as well as the community representatives. With these 7 and the presence of the CPO = 8 they have control of the committee. Regional Ranking Committees are more diverse in their composition (WSM,I) CPOs may be giving advice about likely success in getting funding for projects when their council has a competing application (I)

- Local ranking committees don't allocate on the basis of need because they feel constrained to distribute the funds 'equitably' across the area (WSM)

- DUAP is not a member of the Human Services Regional Coordination Group (WSM)

- The definition of 'need' or 'needy' needs to be reviewed, eg child sexual abuse is a huge grass roots problem yet solutions never receive funding

- Information dissemination about the consultation process is not effective (I)

- Administration costs for liaison on 'pick up' funding or for auspicing one or two partner organisations is not recognised (I)

Attachment 2: The Community Project Officer questionnaire

The questionnaire set out on the following page was forwarded to all Community Project Officers in the 52 local government areas current within the Area Assistance Scheme. There were 45 responses, amounting to an 85% response rate. There were 11 returns from the Western Sydney and Macarthur Region, 4 from the Illawarra Region, 19 from the North Coast Region and 11 from the Hunter and Central Coast Region.

Analysis of question 4

In 7 (16%) local government areas the CPO is the sole member of council staff concerned with community services issues. In 5 of these councils, the position is part time.

In 5 (11%) local government areas, the role of CPO has been attached to another position not directly associated with community services, such as town planner, environmental planner or administrative officer.

In 38 (84%) councils the CPO is employed partly to undertake responsibilities associated with the AAS and partly to undertake other responsibilities in the community services area. There were two non-responses to this question.

Community Project Officers: Area Assistance Scheme review individual questionnaire

1. Your name

2. Your Council

3. What is your actual job title at Council (if different from CPO)

4. In addition to the work you do for AAS, what other functions/duties do you carry out in your job –

   for DOCS?

   for Council?

5. Which main areas of community services are provided by your Council?
   Please complete the table below:

KIND OF SERVICE	NUMBER OF STAFF (IF YOU ARE NOT SURE WRITE 'APPROX')
Child care	
Family day care	
Out of school hours children's services	
Holiday care	
Youth services	
Seniors services incl. meals	
Aboriginal programs and services	
Disability programs and services	
Services and programs for ethnic/cultural groups	
Community centre use and activity management	
Arts/cultural centres/services	

Attachment 3: Information from currently funded organisations

One hundred and forty four, of a potential 400, currently funded organisations responded to the questionnaire, representing a 36% response rate. The actual questionnaire is included at the end of this Attachment.

The following tables summarise the results obtained.

Jobs and volunteer hours created

NUMBER OF RESPONDING ORGANISATIONS X REGION	CURRENT F/T JOBS	CURRENT P/T JOBS	AV. NO. VOLUNTEER HOURS P/WEEK
Western Sydney Macarthur (51)	22	49	720 hours p/w
Illawarra and Shoalhaven (24)	6	41	531 hours p/w
North Coast (39)	2	30	642 hours p/w
Hunter and Central Coast (30)	8	33	1201 hours p/w
Total among 144 respondent organisations	38	153	3094 hours p/w
Total extrapolated[1] to all 400 currently funded organisations	106	425	8594

Assuming that volunteers work for 48 weeks a year, this amounts to 412,512 volunteer hours per annum @ $15 per hour = $6,187,680.

We calculated the dollar value of job creation to local communities used in the cost-benefit analysis as follows:

425 part time jobs x (conservatively) 40% = 170 full time jobs
plus 106 full time jobs = 276 full time jobs

276 full time jobs @ $40,000 p.a. including on costs = $11,040,000.

Other contributions brought into local communities by AAS projects

NUMBER OF RESPONDING ORGANISATIONS X REGION	SPONSORSHIP & FUNDRAISING	GRANTS FROM COUNCILS	GRANTS FROM STATE OR FEDERAL GOVERNMENTS	TOTAL FINANCIAL CONTRIBUTION RECEIVED
Western Sydney Macarthur (51)	$54,046	$12,700	$345,400	$412,146
Illawarra and Shoalhaven (24)	$54,160	$49,865	$26,500	$130,525
North Coast (39)	$46,517	$40,976	$262,791	$350,284
Hunter & Central Coast (30)	$15,100		$132,924	$148,024
Total among 144 respondent organisations	$169,823	$103,541	$767,615	$1,040,979
Total extrapolated[2] to all 400 currently funded organisations	$471,730	$287,614	$2132264	$2,891,608

1,2. On the assumption that these results for 36% of currently funded organisations are representative of the results that would have been obtained from a 100% response rate.

AAS currently funded project questionnaire

Name of organisation _____

Postal address _____

Contact person's name _____ phone _____

email _____ fax _____

Name of current AAS project _____

In regard to the above project, please provide the following information:

1   Number of full time jobs funded by this project

    Indicate whether for 1, 2, 3, 4 years or ongoing

2   Number of part time jobs funded by this project

3   Average number of volunteer hours per week dedicated
    to this project

4   $ amount of any other grant received or financial
    sponsorship for this project (eg rent rebate, donation)

    Please say from whom you get this.

5   Do you receive any in kind support (eg inclusion in
    insurance cover, free advertising, access to computers,
    building maintenance etc).

    Please specify and say from whom you get this support.

Thank you for your assistance

Attachment 4: Analysis of the questionnaire to all councils

Survey method

A pilot survey was distributed to 8 councils in early April, 2000. Four responses were received. On the basis of the responses some small modifications were made to the questionnaire, which was distributed to 173 Local Government areas on May 8, 2000.

The survey form is attached. Respondents had a choice of either faxing the form back or filling in a form on-line (about 55% chose to fill in the form on-line).

In total, responses were received from 89 Local Government areas – a response rate of just over 50%. Responses were received from 23 metropolitan[3] councils and 66 non-metropolitan councils, indicating a consistent response rate from both areas.

The results

The frequency table from the surveys is shown below.

The tables show that stable population councils comprised the largest group of respondents (about 30%). Over half of the respondents had no full time manager responsible for community services (52%), whilst over a third of the respondents (37%) thought that there should be a change in the focus of the Area Assistance Scheme.

Most councils did have a social plan in place although about a quarter of councils had no Section 94 plan for community services.

The ratio of the community service budget to Council's total budget exhibited a wide range, from almost zero to 30%. The mean value was 4.09% but this value is affected by a few small–large ratios. The median value (which is the better measure of central tendency in this case) is 2.22%.

A number of cross-tabulations were also undertaken. The most interesting results are reported below:

- The variations in the ratio of community services budget to council's total budget are not well explained by population size alone[4]. However, the impact of a non-metropolitan location is well illustrated in Table 1 of the cross-tabulations. None of the 19 LGAs in the bottom quartile is from the metropolitan area. However, 35% of the metropolitan LGAs have ratios in the top quartile compared to only 19% of non-metropolitan councils.

- Another interesting result is the relationship between the respondents' views on whether the focus of the AAS should change and the rate of population growth (Table 2). About 70% of the respondents who agreed with keeping the current focus were from LGAs with rapid or steady population growth. On the other hand, of those who thought the focus should change, 83% of respondents came from councils who had stable or declining populations[5].

- Lastly, the relationship between having a full time Community Services Manager and location is clear. Seventy-eight per cent of councils in metropolitan areas have full time community services managers compared to only 38% of non-metropolitan Councils.

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3. Metropolitan councils were defined as those within the Sydney Statistical Division
4. Correlation tests were undertaken for these variables and indicated only a weak relationship
5. It is interesting to note that no Councils indicated that their populations were declining rapidly

Frequencies

Is your council an area of population growth, stability or decline?

	FREQUENCY	%	VALID %	CUMULATIVE %
Valid Rapid population growth	22	24.7	24.7	24.7
Valid steady population growth	22	24.7	24.7	49.4
The population is stable	27	30.3	30.3	79.8
The population is declining	18	20.2	20.2	100.0
Total	29	100.0	100.0	

Does your council have a Social Plan and, if so, when was it last reviewed?

	FREQUENCY	%	VALID %	CUMULATIVE %
Valid Yes, last reviewed in 1996-1998	5	5.6	5.7	5.7
Valid Yes, last reviewed in 1999	38	42.7	43.2	48.9
Yes, currently under review	22	24.7	25.0	73.9
Currently under development	20	22.5	22.7	96.6
No	3	3.4	3.4	100.0
Total	88	98.9	100.0	
Missing	1	1.1		

Attachment 5: List of submissions

Ken Grainger
Lismore City Council

Tricia Shantz
Lismore City Council

Julie Foreman
Animation Coordinator, St Vincent de Paul Society

Cr. Michael Holton
Nambucca Shire Council

Judith Terkelsen, Director/Teacher, Tweed Valley
Early Childhood Intervention Service Inc.

Barbara Flower

George Mackenzie, President
Shoalhaven Neighbourhood Centre

Maurice Brady
Blue Mountains City Council

Annie Smyth
Hon Secretary, Tallowood School Inc.

Sarah Rofe, Director
Dawn Song Children's Centre

Bill Coulter, Hon Secretary, Nambucca District
Combined Services Museum Inc.

P.M. Hillery, Hon Secretary
Bowraville and District Historical Society
Bowraville Folk Museum

Joanne Pollard
Nambucca Valley Neighbourhood Centre Inc

Nikki McAdoo, Coordinator
Highlands Community Centres Inc

Ron Lawrence, Secretary
Hope for the Children Foundation
Coffs Harbour Family Network

Cr. Phil Yeo, Deputy Mayor
Wingecarribee Shire Council

Constance Morgan, Coordinator
Westlake Macquarie Family Support Service

Josephine Robinson, Community Project Officer
Bellingen Shire Council

David Rowley, Youth Project Worker
WESDARC Western Sydney Drug and
Alcohol Resource Centre Inc

Barbara Huntington, Community Project Officer
The Kempsey Shire Council

Teresa Findlay-Barnes
Horizons Central Coast Family Services Inc

Cr. Pamela Parkhill
Chairperson, Shoalhaven Council, IAAS Ranking Committee
and RAC Community Advisory Member

Patricia Darvall
Community Projects Officer, Penrith City Council

Jean Olley, Hon. Secretary
Tillegerry Habitat

Cr. Edna Stride
Nambucca Shire Council

Rima Barghout
Ethnic Communities Council of NSW

Helen Backhouse
Coordinator, Illawarra Forum Inc

Margaret Cavanagh
Program Manager, Playground Advisory Service of NSW
Geoffrey Foley, Hon. Secretary
Richmond River Historical Society Inc

Brenda Toomey
Crisis Accommodation Brokerage Service
Nambucca Valley

Julie King
Manager, Lismore Neighbourhood Centre

D Atkinson, Manager
Bellingen Shire Family Day Care

Deborah Williams
Kidsafe, Bellingen

Caryn Maher, SNIBS Worker
Special Needs in Bellingen Shire

Tiane Mison
Nambucca Valley Early Intervention Service

Coral Hutchinson, Community Worker
Nambucca Shire Council

Western Sydney Community Forum

David Mead, General Manager
Baulkham Hills Shire Council

Liz McRaild, Community Project Officer
Hastings Council

Alex Gooding, Executive Director
Western Sydney Regional Organisation of Councils Ltd

DUAP FUNDING ($000)	91/92	92/93	93/94	94/95	95/96	96/97	97/98	98/99	99/2000	2000/01	2001/02	2002/03	2003/04	TOTAL SINCE 91/92 [1]
Base funding level – grants	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	
Base funding level – administration	760	760	760	760	760	760	760	760	500	500	500	500	500	
PU ENHANCEMENTS TO DUAP														
Projects approved 95/96								1350.00	1350.00	1350.00	1350.00			
Projects approved 96/97								1350.00	1350.00	1350.00	1350.00			
Projects approved 97/98									(NOTE 2)	1350.00	1350.00	1350.00		
Projects approved 98/99										(NOTE 2)	1350.00	1350.00	1350.00	
Projects approved 99/2000												1350.00	1350.00	
Projects approved 2000/2001													1350.00	
Projects approved 2001/2002														
TOTAL DUAP	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**8,110**	**9,460**	**9,200**	**10,550**	**10,550**	**10,550**	**10,550**	**109,530**
PU ENHANCEMENTS TO OTHER AGENCIES														
Pick-ups approved 91/92			1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 92/93				1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 93/94					1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 94/95						1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 95/96								450	450	450	450	450	450	
Pick-ups approved 96/97									450	450	450	450	450	
Pick-ups approved 97/98										450	450	450	450	
Pick-ups approved 98/99											450	450	450	
Pick-ups approved 99/00												450	450	
Pick-ups approved 00/01												450	450	
Pick-ups approved 01/02													450	
Pick-ups approved 02/03														

Note 1: This does not include the cumulative value of the Treasury enhancement for projects approved before 91/92.
Note 2: The Treasury enhancement was held back for this yeas on the basis that the actual expenditure for these projects hadn't yet caught up with commitment levels.

DUAP FUNDING ($000)	91/92	92/93	93/94	94/95	95/96	96/97	97/98	98/99	99/2000	2000/2001	2001/2002	2002/2003	2003/2004	TOTAL SINCE 91/92[1]
Base funding level - grants	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	
Base funding level - administration	760	760	760	760	760	760	760	760	760	760	760	760	760	
TOTAL DUAP	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**6,760**	**87,880**
AAS ENHANCEMENTS TO OTHER AGENCIES														
Pick-ups approved 91/92			1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 92/93				1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 93/94					1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 94/95						1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 95/96							1,800	1,800	1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 96/97								1,800	1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 97/98									1,800	1,800	1,800	1,800	1,800	
Pick-ups approved 98/99										1,800	1,800	1,800	1,800	
Pick-ups approved 99/00											1,800	1,800	1,800	
Pick-ups approved 00/01												1,800	1,800	
Pick-ups approved 01/02													1,800	
Pick-ups approved 02/03														
TOTAL OTHER AGENCIES			**1,800**	**3,600**	**5,400**	**7,200**	**9,000**	**10,800**	**12,600**	**14,400**	**16,200**	**18,000**	**19,800**	**126,000**
TOTAL AAS FUNDING			**10,360**	**13,960**	**17,560**	**21,160**	**24,760**	**28,360**	**31,960**	**35,560**	**39,160**	**42,760**	**46,360**	**326,360**

Note 1: This does not include the cumulative Treasury enhancement for projects approved before 92/92.

Attachment 7: Urban and regional development trends in NSW

The demographic context[6]

In order to examine the recent population trends in NSW it is useful to split the State into three:

- Inland NSW
- Coastal NSW (excluding metropolitan areas)
- Sydney

The main source of the following information is the Census of the Australian Bureau of Statistics. Between 1991 and 1996, the annual population growth rate was 1.02%, which was considerably lower than the 1986-1991 rate of 1.29%.

Inland NSW

The annual growth rate from 1991 to 1996 was 0.03% (compared to the 1986-91 rate of 0.63%). There was widespread population loss, with the greatest losses in the Northern region. Inland growth was strongest in the Central West areas nearest to Sydney, in resource development areas (such as Parkes), in sponge centres (eg Dubbo) and in the Murray River retirement belt. The people leaving inland areas tended to move to Queensland, coastal areas and Newcastle/Wollongong. There was only a small movement of people to Sydney.

Coastal NSW

The annual growth rate from 1991 to 1996 was 1.87% which was significantly less than the 3.21% recorded in 1986-1991. All but one Statistical Local Area (SLA) had slower growth than 1986-1991. All SLAs adjoining the coast grew, whilst nearly all coastal belt SLAs grew.

Large net migration inflows to the coastal region came from Sydney and inland NSW. There were net inflows from Victoria and the ACT mostly to the South Coast.

In terms of age groups, there were large net migration outflows from the coast in the 20 to 24 years age group, whilst the peaks in net migration gains were in the 30 to 39 years age group and in those aged 55 to 64, around retirement age.

Sydney

The release of the 1996 census showed a surprising result for NSW. Sydney's share of the State's population increased, reversing trends of the late 1980s. This occurred despite a drop in overseas migration, for which Sydney is the major destination.

The annual growth rate of Sydney Statistical Division from 1991 to 1996 was 1.11% which was a slight decrease on the 1986-91 rate of 1.13%. One major aspect of the growth of Sydney's share of the State was a substantially lower outflow of people from Sydney to other parts of the State, mostly the coast. This may have been a result of decreasing cost pressures in the Sydney housing market. Other trends that may have affected Sydney's growth include:

- the globalisation of industry, leading to an increasing concentration of employment opportunities in major centres such as Sydney;
- increased participation in tertiary education, attracting more young adults to the major centres.

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6. Based on material provided by Shane Nugent, Demographics Unit, DUAP.

Within Sydney there have been significant changes in the proportion of population growth between the inner, middle and outer rings of Sydney. There has been substantially increased growth in the inner rings and to a lesser extent to the middle ring. The table below compares the proportion of population growth in Sydney.

Table 1: Proportion of population growth, Sydney, 1981-1996

	1981-86	1986-91	1991-96
Inner	-5.7%	0.6%	16.1%
Middle	4.2%	8.1%	12.1%
Outer	101.4%	91.3%	71.8%
Total	100%	100%	100%

Source: DUAP Demographics Unit

Growth in the inner suburbs has been related to net inflows in the 20 to 29 age group. These inflows are mostly from other parts of NSW, not Sydney. There is not much evidence of inflow to the inner areas by 'empty nesters'.

Since the census these Sydney trends have been maintained. The third largest absolute growth in NSW (4,048 person) in 1997/98 occurred in Sydney City, with a 25.5% increase in population. The largest absolute growth occurred in Outer Sydney, in Liverpool, which increased by 6,576 people (5.0%) over the period, with Blacktown having the second largest absolute growth of 4,410 persons.

Table 2: Population growth, Western Sydney 1993-98

LGA	AVERAGE ANNUAL GROWTH RATE (%)
Fairfield	0.6
Liverpool	4.7
Camden	7.1
Campbelltown	0.4
Wollondilly	1.3
Blue Mountains	0.6
Hawkesbury	1.7
Penrith	1.4
Baulkham Hills	1.0
Blacktown	1.8
SYDNEY	1.3

In Western Sydney, growth has slowed in some areas, although the fringe suburbs of Liverpool and Camden are still demonstrating exceptional growth.

AGENCY	PURPOSE	TARGET GROUPS	$M IN 1999/2000	SIMILARITIES WITH AAS	DISSIMILARITIES WITH AAS
Department of Urban Affairs and Planning *Area Assistance Scheme*	Supports community development, capital works and the integrated provision of services	Regions experiencing social stress and/or undergoing rapid urban growth or change	9.5		
Department of Community Services *Community Services Grants Program*	Provides support to disadvantaged individuals, families and communities	Disadvantaged families, families and young people under stress or in crisis, disadvantaged people including those from culturally and linguistically diverse communities	222.3	Submission based Supports community self help through advocacy work of neighbourhood centres and other community development programs	Much more targeted to service provision, including advocacy for service provision, than to community self help as such Narrower focus on disadvantaged communities than AAS Covers the whole of NSW Only addresses limited aspects of community infrastructure as defined Historical funding
NSW Health *Non Government Organisation Program*	Delivers complementary health services that will assist the health system to achieve its goals	Identified health priorities of the community	132.4	Submission based Supports community self help re health service delivery only Addresses health aspects of community infrastructure only	Not focused on community self help as such Not addressed to community infrastructure as defined Covers the whole of NSW Historical funding
Department of Juvenile Justice *Community Funding Program*	Assists and supports juvenile offenders to maintain and establish links with their families and communities	Young people who have been involved with the juvenile justice system	2.176	Supports community self help re juvenile justice support service delivery only. Submission based, non-recurrent?	Not focused on community self help as such Not addressed to community infrastructure as defined Covers the whole of NSW
Department of Sport and Recreation *Capital assistance program*	Develops community oriented local sporting and recreational facilities	The community to participate in sport or active recreation	13.8	Focused on community self help re sport and recreation facility delivery only Addresses sport and active recreation aspects of community infrastructure only Submission based, non-recurrent	Not focused on community self help as such Not addressed to community infrastructure as defined Covers the whole of NSW
Department of Sport and Recreation *Sporting Associations Grants Sports Development Assistance Assistance for special community groups*	Develops community based organised sport	Sports organisations and organisations representing special needs groups	6.4	Focused on community self help re sport and recreation service delivery only Provides some funding for special needs groups Submission based, non-recurrent	Not focused on community self help as such Not addressed to community infrastructure as defined Grants to groups with special needs is 5% of total expenditure Covers the whole of NSW

AGENCY	PURPOSE	TARGET GROUPS	$M IN 1999-00	SIMILARITIES WITH AAS	DISSIMILARITIES WITH AAS
Department of Ageing and Disability *Disability Services and Home and Community Care programs*	Provides care and support services to people in their homes and to people in boarding houses, hostels and other supported accommodation	People with a disability and frail elderly people	347.5	Fosters independent living among target group members Promotes integration of target group members and their services and programs with other community based programs Submission based, recurrent	Focused on individuals rather than communities Both funds are dedicated in their entirety to people with special needs
Department of Aboriginal Affairs *Aboriginal Grants Program*	Develops physical infrastructure in Aboriginal communities and promotes social justice outcomes for Aboriginal communities	Aboriginal communities in NSW	15.6	Provides funds for community resources (capital) to 20 Aboriginal communities p.a. Funds projects which deliver services to Aboriginal communities Promotes community self help Submission based, non-recurrent	Not focused on non-Indigenous communities in relevant geographic area Covers Aboriginal communities across the whole of NSW Not addressed to community infrastructure as defined
Department of Housing *Housing Communities Assistance Program*	Funds community development workers on the most disadvantaged housing estates	Tenants living in the most disadvantaged public housing estates	0.5	Promotes community self help on larger public housing estates Submission based	Not focused on communities in relevant geographic area which are not DOH clients Not addressed to community infrastructure as defined Historical funding
Department of Housing *Tenant and Community Initiatives Program*	Funds community development initiatives recommended by tenant committees to a maximum of $30,000 per region	Social housing tenants in all DOH regions	0.34	Fosters community self help by tenant committees in public/social housing Funds small scale aspects of community infrastructure for these communities Submission based, non-recurrent	Not focused on communities in relevant geographic area which are not DOH clients Not addressed to community infrastructure as defined
Department for Women *Women's Grant Program*	Furthers social justice objectives; linked to the objectives of the Premier's Council for women	Women with limited access to social and economic resources	1.0	Fosters community self help among women for a wide range of issues relevant to women Submission based, non-recurrent	Not focused on community self help as such Not addressed to community infrastructure as defined
Ethnic Affairs Commission *Community Support Services*	Assists projects in targeting areas of special needs	Ethnic communities	1.5	Fosters community self help in ethnic communities Submission based, non-recurrent	Not focused on non-ethnic communities in relevant geographic area Not addressed to community infrastructure as defined
Department of Education and Training *Youth Assistance*	Provides assistance in literacy, numeracy and self esteem	Young people who have left school early or are at risk of leaving school early	6.193	Fosters educational aspects of community self help Submission based	Not focused on community self help as such Not addressed to community infrastructure as defined Covers the whole of NSW
Department of Education and Training *Mature Workers Program*	Assistance with job search activities and further education and training	Unemployed people over 40 who wish to enter or re-enter the workforce	2.920	Fosters educational aspects of community self help Submission based	Not focused on community self help as such Not addressed to community infrastructure as defined Covers the whole of NSW

AGENCY	PURPOSE	TARGET GROUPS	$M IN 1999-00	SIMILARITIES WITH AAS	DISSIMILARITIES WITH AAS
Department of Education and Training *Aboriginal Employment and Training*	Assistance and training which will support Aboriginal people in gaining access to further education and training and/or employment	Aboriginal people	1.692	Fosters educational aspects of community self help specifically for Aboriginal people Submission based	Not focused on community self help as such Not addressed to community infrastructure as defined Covers the whole of NSW
Department of Gaming and Racing *Casino Community Benefit Fund*	Funds community projects and services concerning specific social issues which could be considered as flow over effects or causes of problem gambling	Families and communities affected by problem gambling	11.3	Funds specific projects and services addressing alcohol/drug/child abuse, domestic violence, homelessness, unemployment Submission based, non-recurrent	Not focused on community self help as such Not addressed to community infrastructure as defined Covers the whole of NSW
Department of Gaming and Racing *Community Development and Support Expenditure Program*	Provides tax relief for Registered Clubs in respect of 1.5% of profits exceeding $1m through expenditure by the Club on community welfare, community development, social services and employment assistance	Communities in NSW at the discretion of Registered Clubs	27.0	Funds capital infrastructure and community service projects Does not cover the whole of NSW Submission based, non-recurrent	Not focused on community self help as such Not addressed to community infrastructure as defined Selection of projects is at the discretion of each Registered Club
Attorney General's Department *Safer Communities Development Fund*	Funds Councils and community organisations' crime prevention strategies, programs and research	Communities with high crime profiles in NSW	1.15	Fosters community safety aspects of community self help Submission based, non-recurrent	Not focused on community self help as such Not addressed to community infrastructure as defined Covers the whole of NSW