



POSITION PAPER PROVISION OF GOVERNMENT SERVICES

JULY 2024

ABOUT THE KIMBERLEY REGIONAL GROUP

The Kimberley Regional Group (KRG) is an alliance of the four Kimberley Shires, being the Shire of Broome, the Shire of Derby West Kimberley, the Shire of Halls Creek and the Shire of Wyndham East Kimberley. Our Vision is to maintain and enhance the rich diversity and liveability of the Kimberley for its people and the world. Collaboratively the group seeks to drive positive impact across the region through improved social, economic and cultural outcomes. This paper is designed to highlight the issues as known to Local Government at the time of writing and the potential pathways that are supported.

CONTEXT

- The Kimberley covers one sixth of Western Australia's land mass, and is home to approximately 39,000 people, with over 40 percent of the population Aboriginal and Torres Strait Islander people¹. The region has two regional centres, Broome and Kununurra, 3 sub-regional centres Derby, Fitzroy Crossing and Halls Creek and includes over 150 Aboriginal Communities².
- Government services are critical to the wellbeing of Kimberley residents and the ability to attract and retain a local population and skilled workforce.
- A key mandate of the WA Development Commissions is to "seek to ensure that the general standard of government services and access to those services in the region is comparable to that which applies in the metropolitan area"³.
- The WA Government's Service Priority Review found that a lack of effective coordination and integration between the WA and Australian governments, local government and non government organisations contributed to poor outcomes and recommended improving coordination of services in the regions. Also, that integrated social services focused on prevention and early intervention can improve outcomes while reducing demand for downstream services and infrastructure⁴.

- The WA Government in their response to the WA State Infrastructure Strategy advised government service deliver agencies will continue their investigation, development and implementation of best practice models for social service delivery in the regions which is part of their core business.
- Research shows people living in regional Australia tend to experience greater disadvantage than their counterparts in metropolitan areas in terms of health and education outcomes, employment opportunities, and access to critical services and infrastructure. One of the most well-known drivers of regional inequality is the disadvantage faced by Indigenous peoples⁵.
- As the costs of providing services, particularly health, education and policing are higher with more dispersed populations, governments need to invest more to ensure that service quality in regional areas doesn't fall too far behind service quality in cities⁶.
- There are challenges for government providing services over such a large distance and to a dispersed population. A range of delivery models are needed. For example, the hub and spoke model, such as that used by the WA Country Health Service, must ensure that sub regional centres and Aboriginal communities have access to the services and support that they need, when they need it.
- The roles and responsibilities of Kimberley local governments has increased due to community need. The Australian Local Government Association identified that an ongoing issue for local government is the transfer of responsibility for service provision or being called upon to provide a service when the state or Australian government withdraws⁷. Councils are supplementing government services, and addressing market failure, to ensure essential goods and services are available for residents⁸.
- Whilst the roles and responsibilities of local government have grown significantly over time, its revenue base has not. Financial Assistance Grants (FAGs) as a proportion of Commonwealth taxation have decreased over time. As Kimberley Councils have limited revenue-raising capacity to maintain

or upgrade infrastructure or provide the level of services, an appropriate level of FAGs funding is critical. An increase to FACs funding and a more appropriate indexation methodology is needed⁹.

- For non-government organisations, service costs are estimated to be 12.2 percent higher than the indexed WA Government contracts over the 2014-15 to 2022-23 period¹⁰. As a result, local communities are being asked to supplement government funding or organisations to remain sustainable are reducing their services.
- The four Kimberley local governments are well positioned to partner with government to facilitate integrated, place based approaches to meet local needs. To do this, adequate resourcing must be provided to meet service costs.

OBJECTIVE

- » **That the general standard of government services and access to those services in the region is at least comparable to that which applies in the metropolitan area.**
- » **Better access to services to support and improve the liveability and social and economic outcomes of towns and remote communities.**
- » **Improved regional planning and co-ordination of government services.**
- » **Sustainable funding of local government and non-government community services.**

GUIDING PRINCIPLES

The following guiding principles should underpin the provision of government services:

- Substantive equality¹¹.
- Government policy at all levels and in all portfolios is 'spatially sensitive' and 'spatially aware' to recognise the local characteristics, dynamics and needs across the region.

- Local and regional decision making and oversight.
- Strong engagement with local government and communities.
- Flexibility in government policy settings to enable integrated, place based approaches.
- Local government financial sustainability.

Policy Priorities

1. Access to good-quality services that are flexible and responsive to local needs and focus on delivering positive outcomes

- 1.1 Towns and remote communities have access to government services and facilities such as housing, education and training, health, police, childcare, aged care and family, youth and community services to attract and retain a resident population and workforce.
- 1.2 Investment in government services is based on need and focussed on outcomes.
- 1.3 Government's use of digital technology as an enabler is commensurate with digital literacy and access to digital infrastructure and connectivity.

2. Improved service planning and co-ordination of government services

- 2.1 Improved District Leadership Group governance and accountability.
- 2.2 Kimberley services are benchmarked to better understand current and future levels of service in order to deliver positive economic and social outcomes.
- 2.3 The network of regionally based State and Federal Government development agencies are strongly co-ordinated, strengthened and work in partnership with local government to provide policy and investment advice to central government agencies.

- 2.4 Co-designed government service models in partnership with local government and communities.
- 2.5 Development of and reporting on whole of government Kimberley community service targets.
- 2.6 Transparency of government investment by reporting Kimberley expenditure (recurrent and capital) in the WA State Budget.
- 2.7 Development of a WA Development Index to measure State progress and wellbeing across a broad variety of domains.

3. Sustainable funding of community services

- 3.1 An uplift in the contract price for non-government community services to reflect the true cost of service delivery in the Kimberley.

4. Local government sustainability

- 4.1 That as a minimum Financial Assistance Grants (FAGs) are restored to 1 percent of Commonwealth taxation revenue and that the Commonwealth
- 4.2 Review whether the National Principles of Horizontal Equalisation, Effort Neutrality and Minimum Grants optimise financial sustainability under the FAG's program;
- 4.3 Consider providing more flexibility in the National Principles for the States to allow their Grants Commissions more latitude to provide better equity outcomes in FAG's distributions;
- 4.4 Consideration of broader wellbeing indices to understand social need, and the additional costs of providing infrastructure and services in the region.
- 4.5 Equitable long-term funding for the maintenance and renewal of infrastructure.
- 4.6 Government grants include a regional weighting to cover the additional costs of infrastructure and service delivery in the Kimberley.

Focus Areas

Housing

- Increased government investment in social and affordable housing.
- Increased investment in the maintenance of social homes.
- Better targetter Government Regional Officer Housing policy that attracts and retains workers.

Emergency Management

- Increased investment to build community resilience to natural disasters.
- Greater fiscal equity and funding for repairing of damaged infrastructure which includes appropriate trigger points for access to funding.
- Increased funding for the replacement or restoration of damaged assets to a more resilient standard following a disaster event.
- Removal of the distinction between ordinary and additional costs in natural disaster relief payments – i.e. if Councils divert their own staff to undertake works this should be recoverable under the payments.
- Streamlined processes and surety to access payments including shorter assessment period for events and immediate access to funding to commence works.

Health

- An increase in regional and locational:
 - » mental health services and facilities.
 - » family and domestic violence services.
 - » alcohol and other drug services.
 - » Aged Care services.
- Health facilities in Aboriginal communities that are fit for purpose and support good primary care and allied health outcomes, designed and operated in partnership with Aboriginal communities.

Education and Training

- Increased investment into evidence-based alternative education programs to improve school attendance, educational outcomes and school to work transition programs.
- A Kimberley School Truancy Action Plan.
- Increased investment in training and employment pathways with wrap around support.

Justice and public safety

- Adequate police resources in all towns and communities.
- Prevention, early intervention, rehabilitation and recidivism, and address over-representation of Aboriginal people in the justice system.
- Increased investment in Kimberley based diversionary programs and on-country alternatives to detention.
- Appropriate custodial facilities in the Kimberley.
- Increased government investment for local government community safety and crime prevention initiatives.

ENDNOTES

1. <https://app.remplan.com.au/kimberleyregion/community/summary?state=BLJWTo1wlTdr1qvC76z7RkhPt4tB06>.
2. <https://infrastructure.wa.gov.au/state-infrastructure-strategy/was-regions/kimberley-region>.
3. WA Government, Working together, one public sector delivering for WA 2017, Recommendation 24.
4. <https://www.wa.gov.au/government/state-infrastructure-strategy-foundations-stronger-tomorrow-wa-government-response-2023>.
5. UWA Submission - Inquiry into the Indicators of, and Impacts of, Regional Inequality in Australia, p2.
6. Grattan Institute Submission – Inquiry into the Indicators of, and Impact of, Regional Inequality in Australia, p 7.
7. <https://alga.com.au/policy-centre/financial-sustainability/current-financial-challenges>.
8. <https://alga.com.au/policy-centre/financial-sustainability/background-on-local-government-funding/>
9. [https://walga.asn.au/getattachment/Policy-Advocacy/Our-Advocacy-Positions/20221216_Advocacy_Positions_Manual-\(ID-544606\).pdf?lang=en-AU](https://walga.asn.au/getattachment/Policy-Advocacy/Our-Advocacy-Positions/20221216_Advocacy_Positions_Manual-(ID-544606).pdf?lang=en-AU), p23.
10. WA Centre for Social Impact services https://www.shelterwa.org.au/wp-content/uploads/2022/05/CSI_UWA_Shelter-WA-Final-Report-Funding-of-WA-Homelessness-Services-25-May-2022.pdf. Page xiii.
11. Substantive equality involves achieving equitable outcomes as well as equal opportunity. It recognises that equal or the same application of rules to unequal groups can have unequal results. Where service delivery agencies cater to the dominant, majority group, then people who are different may miss out on essential services. Hence, it is necessary to treat people differently because people have different needs, The Policy Framework for Substantive Equality 2023. Equal Opportunity Commission, Government of Western Australia. <https://www.wa.gov.au/system/files/2023-01/1%20The%20policy%20framework%20for%20substantive%20equality%20January%202023.pdf>.