

31 July 2015

Dr Peter Boxall
Chairman
Independent Pricing & Regulatory Tribunal
Fit for the Future assessment

Via: online submission

1. Executive Summary

Holdsworth works in close partnership with Woollahra Council, but is also funded by state and commonwealth governments to work across the five LGAs of Eastern Sydney. Holdsworth also works in collaboration with Waverley and Randwick Councils and works with residents in both the City of Sydney and the City of Botany Bay.

The purpose of the submission is to ensure that the interrelationship between Woollahra, Waverley, Randwick, Botany, the City of Sydney and Holdsworth and other NGOs is considered by IPART when determining its recommendations to government.

It does not make any comment on the merits of any one council's submission.

2. Principles

- Quality delivery of community services relies on support from all three tiers of government in partnership with the NGO sector – the whole is greater than the sum of the parts;
- The interconnection between government and the NGO sector is not readily divisible without negative consequences to the community as services, though often discretely funded, rely on collocation for efficiency of delivery;
- The way NGOs are supported varies greatly between council areas and simply conglomerating councils and NGOs is unlikely to result in the same service levels;
- Any amalgamations between councils would need to take into account existing inter-relationships to enhance, and avoid any diminution of service levels;
- Decisions that are made purely with a view to economic rationalism may put at risk the value inherent in well supported communities.

3. Background on Holdsworth Community

Holdsworth provides social support, community transport and food services to people living independently in the local government areas of Woollahra, Waverley, Randwick, Botany and the City of Sydney. Its participants include frail seniors, people with dementia, and people living with disabilities and their carers. Holdsworth also supports many young families across the region.



a. History

The site currently occupied by the Holdsworth Community Centre in Holdsworth Street, Woollahra was established jointly by a grant from the NSW Government and Woollahra Council in 1940. The current incorporated association has grown from a local parent-led community organisation which was founded with financial support from Woollahra Council in the early 1970s. Woollahra Council has continued to fund the Centre over a period of 45 years. For many years it was the sole external funder of Holdsworth.

b. Funding and facilities

Holdsworth's government grants are now 47% Federal, 29% State and 23% Woollahra Council. In 2016 the Woollahra Council grant is worth over \$900,000 and combined grants from other councils are about \$60,000. Holdsworth's turnover is approximately \$5,000,000. Holdsworth has an on-going funding agreement with Woollahra Council which provides for its grant to be indexed by CPI each year.

Holdsworth leases two Woollahra Council owned facilities in Woollahra for peppercorn rents. Commercial rent for these facilities would be worth over \$150,000 per annum. Both of these facilities have been extensively renovated in partnership between Holdsworth and Woollahra Council and with assistance from state government grants. Holdsworth also receives smaller grants from other local councils from time to time, but these are not guaranteed.

c. Geographic spread

Woollahra Council's support has been crucial as Holdsworth has expanded services well beyond the boundaries of Woollahra. Holdsworth currently works with about 4,000 people of whom 60% live in Woollahra, 16% in Waverley, 14% in Randwick and the rest in Botany and the City of Sydney. However, clients and their carers who require higher levels of support, including people living with dementia and other disabilities, are more evenly spread across eastern Sydney and especially Randwick LGA.

In the last twelve months Holdsworth has expanded its services in Waverley LGA as Waverley Council has ceased to provide a Meals-on-Wheels service and Waverley based Junction House Inc wound-up operations and ceased providing disability services. In recognition of this Waverley Council has started to provide grants to Holdsworth.

d. Volunteers

Holdsworth is also supported by a pool of approximately 150 adult volunteers who would also be less likely to volunteer directly to a government service. The multiplier effect of this investment is not reflected in comparative information provided to IPART from neighbouring councils.

e. Leveraging Council investment

Holdsworth is not aware of any other independent community services organisation which receives the level of financial investment and support it receives from Woollahra Council. This partnership model between Woollahra Council and Holdsworth has seen Holdsworth's turnover grow at an average rate of approximately 20% per year over the last ten years as Holdsworth has been able to leverage Council's investment by attracting extensive federal and state government funding and, crucially, by attracting significant philanthropic support which would not be available to a government body.

Holdsworth values its partnerships with local government to support service delivery through the provision of facilities and direct grants and rental waivers, endorsement, promotion and referrals. The communities supported by Holdsworth also benefit through safe pedestrian access to facilities, parking

and transport and the general amenity of public spaces that contribute to connected community and quality of life.

f. Community connection

The needs of communities are best supported by a combination of very local, broad based services with strong local advocacy, and more widely based specialist services to create economies of scope. What may be gained by economic efficiencies may be lost by having too large a population or geographic area to achieve community cohesion, while on the other hand, small areas may not be able to support or afford appropriate infrastructure for very specific support needs.

Community activities and aspirations are not generic, they are very much rooted in place and common history and shared vision. Communities are not held together by services that meet basic needs, but rather they are formed by services that match what people want for themselves.

g. Future strategy for Holdsworth Community

Holdsworth's future strategy is to ensure that the communities it serves are in the best position possible to make the choices and decisions they want to live the lives they wish. In the face of sweeping changes in the Commonwealth Home Support Programme and Consumer Directed Care and the advent of the National Disability Insurance Scheme, local community members want to know that they are in control of the services they receive and that the long term relationships they have established, based on trust and experience, are not going to disappear as a result of changes at the local government level. Communities have a great sense of ownership of local areas and local resources.

Services are becoming increasingly centralised, depersonalised and for-profit providers are competing directly both for government funds and for consumers. Holdsworth will remain a strong advocate for its local community and will collaborate actively throughout the region with councils, other NGOs, for-profit providers and government to continue to access services for its community.

Despite the best efforts of government to streamline funding and minimise overhead costs in favour of direct service provision, the system falls over without strong local organisations, supported by local government. Too many marginalised and vulnerable people slip through the cracks of government efficiencies.

4. The Role of Local Government

Each of the councils in Eastern Sydney has a different approach to the enablement of community services delivery. Their community service budgets are not accurate reflections of the level of services provided to their communities because of the interrelationships between funding from the three levels of government and the role of the NFP sector and how it is supported at each local level. Some councils have chosen to concentrate on direct service provision with minimal support of community organisations; others, as in Holdsworth's relationship with Woollahra Council, choose instead to concentrate on the provision of community infrastructure and leave service provision to the NFP sector.

A balance between the two approaches supports a wider cross section of the community. People group in communities of common interest more than in geographic areas. While a single council might be able to deliver a broad based program to a large localised community, in service areas such as the more specialist community-based dementia care and independence programs for people with intellectual

disabilities offered by Holdsworth, a larger catchment area is necessary because of the economies of scope required to deliver a wider variety of programs.

5. Key Considerations in Local Government Reform

Reform of local government is happening at the same time as reform of state and federal support for seniors and for people living with disabilities. Holdsworth strongly supports the direction of federal and state government policy in creating individualised funding for supporting seniors and people with disabilities. This delivers control and purpose to the most vulnerable members of society. However, this individualist approach undercuts the benefits that come from community and the support of community-based organisations and smaller local government.

IPART needs to ensure that if council amalgamations do happen that the close partnerships and financial ties between councils and the NGO sector are not severed.

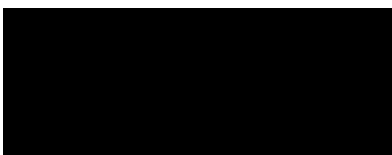
It is easy to assume that a small NGO or small council cannot operate efficiently from an economic perspective (without making any comment on the sustainability/efficiency of any of the regional councils in eastern Sydney). However, large NGOs and large councils might just as easily be accused of operating without the voice of local communities being heard, even more so where those voices are of minority groups.

Economic efficiency might be gained at the expense of community effectiveness.

6. Summary

Holdsworth Community needs to have continuity of funding and facilities to retain the trust and confidence of the people that use its services. It needs to have a direct voice as an adviser to councils in relation to service provision for the vulnerable people it represents and needs to be able to work closely with all councils in the region. If amalgamations do proceed Holdsworth would expect any new councils to recognise and continue to support the role Holdsworth and other NGOs play across all of eastern Sydney. If amalgamations do not proceed, Holdsworth will continue to leverage efficiencies through its collaboration with individual councils.

Yours faithfully

A large black rectangular box redacting the signature of Michael Ryan.

Michael Ryan
CEO

Cc: Cr Clover Moore, Lord Mayor of Sydney
Cr Toni Zeltzer, Mayor of Woollahra
Cr Sally Betts, Mayor of Waverley
Cr Ted Seng, Mayor of Randwick
Cr Ben Keneally, Mayor of the City of Botany Bay