

NCOSS 2019/20 NSW Budget Analysis

June 2019

NCOSS Post-Budget Breakfast 2019 Event Partner



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Introduction

This State Budget comes at a time when more people are experiencing homelessness than ever, the rate of children and young people entering out-of-home-care remains too high, and almost 1 million people in NSW seek community legal assistance each year.

With the NSW Government continuing to retreat from direct service delivery, more responsibility falls to the community services sector to support vulnerable and disadvantaged members of the community.

This makes it all the more important for Budget information to be clear and transparent, so that the sector can ensure the NSW Government is doing all it can to support our most vulnerable and the services they rely on.

However, information asymmetry makes it more challenging to hold our Government to account. The 2019-20 Budget papers provide far less detail than previous years and do not break down budgetary allocations by program area.

As well as this, the amalgamation of several Government departments, such as the Department of Justice combining with the Department of Family and Community Services in a new Stronger Communities Cluster, makes it even harder to compare funding with previous years and decipher where funding might have increased or decreased.

There are also clear gaps in Budget papers around funding for vital services and supports that our communities rely on and need more of, such as domestic violence, legal assistance and Aboriginal community controlled services. Most noticeably, there was no mention of funding for early intervention or key whole-of-government reforms such as Their Futures Matter.

Within this context, it appears that overall, this Budget is a missed opportunity from the NSW Government to tackle social issues and reduce disadvantage across the state.

When re-elected in April 2019, the NSW Government stated that a key policy priority would be “breaking the cycle of intergenerational disadvantage by fixing problems that have been in the too-hard basket for too long.”

NCOSS will work with the NSW Government on this priority to ensure future investment will go towards those who need it most.

Access to Justice

Problem

In NSW, Aboriginal children are 21 times more likely to be detained than non-Aboriginal children. Imprisoning children and young people comes at a personal cost to the life of the child and their community. Solutions to reduce the over-representation of Aboriginal people in prison must be Aboriginal-led and legal services must be culturally appropriate, particularly for victims of domestic violence.

What's in the 2019/20 Budget

- Legal Aid Commission of NSW received a funding cut by 2.6 per cent from \$365.7 million from last year to \$356 million.
- The Department of Public Prosecutions received additional funding of \$10.2 million.
- \$21.8 million in 2019-20 to strengthen community safety through enhanced electronic monitoring of sex offenders.

Not in the Budget but announced in May 2019:

- From 2018-19 to 2019-20, there was an overall increase of \$1.86 million available through the Community Legal Service Program.

What does it mean for those doing it tough?

The \$1.86 million injection into community legal centres will help disadvantaged members in the community navigate the legal system and help prevent legal issues spiralling out of control leading to imprisonment, homelessness and violence.

The increased funding was however redistributed and resulted in 13 centres losing a total of \$996,396 in general funding from 2018-19 to 2019-20, including 10 centres losing a total of \$671,582 in funding.

Wurringa Baiya Aboriginal Women's Legal Centre, which works with women experiencing violence and helps children with their families and communities, was one of the services that lost funding. The funding cuts to Wurringa Baiya will mean less Aboriginal women and children will get the support they need.

What is needed?

There is no funding allocated to reduce the over-representation of Aboriginal people in prison in NSW in this Budget despite it being a draft State-led COAG target under the Closing the Gap refresh. Significant investment and empowerment of Aboriginal communities is needed to reduce the over-representation of Aboriginal people in prison and help communities thrive.

NCOSS called for investment in community-led justice reinvestment initiatives, culturally appropriate post-release programs and significant investment in community-based legal assistance services, particularly Aboriginal Legal Services.

Further information

[CLCNSW media release](#)

Cost of living

Problem

More than 1.7 million people in NSW are living below the poverty line, on incomes of up to \$433 a week. With slow income growth, and no increases to vital income support payments like Newstart and Youth Allowance in 25 years, it is getting harder for families to meet the cost of living. Many are forgoing medical treatment, dental care and daily meals in order to pay their bills.

What's in the 2019/20 Budget

- \$324.5 million (\$1.1 billion) over 4 years for energy rebate program. These include the Low Income Household Rebate, Family Energy Rebate, Gas Rebate, Life Support Rebate, Medical Energy Rebate and Energy Accounts Payment Assistance. This is continued funding from 2018-19.
- \$174.3 million (\$741.2 million over 4 years) in water rebate programs. This is continued funding from 2018-19.
- An annual \$200 energy rebate for self-funded retirees.
- \$70 million over 4 years for 35 mobile dental clinics for primary school children in Western Sydney, the Mid North Coast and the Central Coast, allowing free access to dental checks and basic dental care for up to 136,000 primary school children each year.
- \$8 million over 4 years for Foodbank NSW/ACT to expand the School Breakfast 4 Health program to a further 500 schools, with those in lower socioeconomic areas prioritised.

What does it mean for those doing it tough?

Families in some lower socioeconomic areas will benefit from free dental care and school breakfasts for their children. Bill stress will be alleviated somewhat by ongoing water and energy rebates, where people are eligible and aware of the programs.

What is needed?

It is positive to see some of these measures specifically targeting low socioeconomic areas. A significant overall injection of funding into oral health services would go even further to improve access for people from all population groups.

These measures will not improve people's economic capacity to meet the costs of essential care and services. We need a combination of larger rebates to alleviate financial pressures and increased rates of income support to ensure people can meet the true cost of living in NSW.

Further information

Budget responses from the sector:

- [NCOSS](#)

Sector priorities:

- [Raise the Rate campaign](#)
- [NCOSS 2018 Cost of Living report](#)
- [NCOSS 2017 Cost of Living report](#)
- [NCOSS 2016 Cost of Living report](#)

Family and connectedness

Problem

Investment continues to focus on crisis responses while funding for prevention and early intervention has eroded over time.

Vulnerable and at-risk families are not being identified and referred to services early enough to prevent the breakdown of relationships and other serious harm or child protection concerns.

As a result, children and young people are entering the out-of-home care system at an increasing rate. This picture is even worse for Aboriginal children and young people.

What's in the 2019/20 Budget

- \$30 million in 2019-20 to support the complex needs of children in out-of-home-care. This is a decrease in \$1.6 million from 2018-19.
- \$16.8 million to continue funding 45 Child Protection Helpline workers and 66 case support workers, and \$9.4 million in 2019-20 for the Adoption Taskforce. It is likely this is part of the \$59.1 million committed over 4 years in 2018-19.

What does it mean for those doing it tough?

There is even less funding this year to support children in out-of-home care and their families, and it seems there is no funding allocated to early intervention to support vulnerable and at risk families.

What is needed?

This Budget fails to invest in or even mention early intervention. Funding for Their Futures Matter is noticeably absent, which is the NSW Government's whole-of-government reform to deliver improved outcomes for vulnerable children and families.

Our communities need a well-resourced continuum of support for vulnerable children, young people and their families from the prevention and early intervention stages, right through to family preservation and restoration, with a focus on keeping families and kinship networks together.

Further information

Budget responses from the sector:

- [NCOSS](#)
- [Youth Action](#)

Sector priorities:

- [Building Great Communities campaign](#)
- [NCOSS 2019 Election Platform](#)
- [AbSec 2019 Election Platform](#)
- [Youth Action Policy Platform](#)
- [Fams Investing in Our Children report](#)
- [ACWA 2019 Election Platform](#)

Social and affordable housing

Problem

Everyone has the right to a stable, secure place to call home. In NSW there is a shortfall of 136,000 social housing dwellings and almost 53,000 people on the social housing waiting list, with wait times of up to 10 years. Meanwhile, there has been a 43% increase in demand for specialist homelessness services in the past 4 years. Domestic violence is a major factor contributing to homelessness in Australia.

What's in the 2019/20 Budget

- \$29.3 million (\$106.9 million over 4 years) to deliver new housing and upgraded housing through the Aboriginal Housing Office's capital works program.
- \$24.2 million (\$99.2 million over 4 years) to maintain and repair existing Aboriginal Housing Office homes.
- \$15.8 million to upgrade and repair Aboriginal Community owned homes.
- \$1 billion in continued funding towards a range of homelessness and social and affordable housing programs. This includes funding announced in 2018-19 (61.7 million over 4 years) to implement the NSW Homelessness Strategy.

What does it mean for those doing it tough?

There are no new measures or increased funding in this Budget to support people at risk or experiencing housing stress and homelessness.

What is needed?

NSW needs a fully resourced social and affordable housing strategy that delivers 5,000 new social housing dwellings and 7,500 affordable housing dwellings each year until 2026 to meet growing housing need.

A significant funding boost is needed for a range of housing and homelessness support options, such as Housing First and Assertive Outreach responses and tenancy advice services.

The Government should also be investing more in Aboriginal community-controlled housing providers to build capacity to deliver services, maintain existing housing stock and develop new stock.

Further information

Budget responses from the sector:

- [NCOSS](#)

Sector priorities:

- [NCOSS 2019 Election Platform](#)
- [Shelter NSW 2019 Election Platform](#)
- [Homelessness NSW 2019 Election Platform](#)

Mental health

Problem

The NSW mental health system is overly complex and difficult to navigate. Rising numbers of people are turning up in emergency departments or even homelessness services with significant mental health issues due to the lack of access to timely, affordable, community-based mental health support. For young people, mental health is the most frequently nominated issue of concern, and suicide is the leading cause of death.

What's in the 2019/20 Budget

- \$88.4 million over 4 years to hire an additional 100 school counsellors or psychologists and 350 student support officers in public high schools, as well as dedicated services for rural and remote students.
- \$23.5 million over 4 years to expand the capacity of Lifeline and Kids Helpline.
- \$19.7 million in 2019-20 to support key initiatives for suicide prevention and responses.
- \$3 million over 4 years for the Gidget Foundation to expand its work in perinatal anxiety and depression.
- \$8.3 million for drought-related mental health initiatives as part of the expansion of the Emergency Drought Relief Package (an increase of \$2 million from 2018-19).

Overall, there was a modest increase of 4.6% from 2018-19 in recurrent expenses within the Health cluster towards mental health.

What does it mean for those doing it tough?

Young people will benefit from more mental wellbeing support in schools and increased capacity of the Kids Helpline, particularly in regional and remote areas where support is scarce. Regional and remote communities affected by drought will also benefit from the slight boost in funding for mental health support.

What is needed?

NSW desperately needs a significant boost in funding towards community-based mental health to fill the 'missing middle' of services between primary care and hospitals. We also need more funding for generalist services grounded in the community – such as neighbourhood and community centres – that work to support social inclusion and people who cannot access mental wellbeing support elsewhere.

Further information

Budget responses from the sector:

- [NCOSS](#)
- [Mental Health Coordinating Council](#)
- [Youth Action](#)

Sector priorities:

- [NCOSS 2019 Election Platform](#)
- [NCOSS submission to Productivity Commission inquiry into Mental Health](#)
- [Mental Health Coordinating Council report on future investment priorities](#)

Regional transport

Problem

Mobility and transport disadvantage intersects with all aspects of a person's life and encompasses all questions of access to services, supports and opportunities. Community transport (CT) provides an essential service to people experiencing transport disadvantage but capacity is limited. CT requires more resources and to be able to deploy those resources based on community needs.

What's in the 2019/20 Budget

- \$87 million for Community Transport and Home and Community Care services is committed to assist people who are not eligible for the NDIS. This is unchanged from 2018-19 Budget. While details are not provided, this amount is likely largely federal funding through the Commonwealth Home Support Program for older people and a smaller proportion for the Community Transport Program for people who are transport disadvantaged.
- An election commitment, the Regional Seniors Transport Card provides \$250 per year in 2020 and 2021 towards fuel, taxi travel or pre-booked NSW TrainLink tickets for aged pensioners living in regional New South Wales.
- The Isolated Patients Travel and Accommodation Assistance Scheme (IPTAAS) is allocated \$25 million in 2019-20 to assist patients needing to travel long distances for treatment that is not available locally. This is an increase of \$4.7 million from last year.

What does it mean for those doing it tough?

The Regional Seniors Transport card is an opportunity for older people in regional areas to make some subsidised journeys, however many questions remain about implementation.

The increase in funds for IPTAAS is positive, however NCOSS has made recommendations to improve the scheme through broader eligibility and clearer administration.

What is needed?

The Government must adequately fund CT options for people who are transport disadvantaged. CT is experienced and value-for-money in bridging the gap between isolation and community inclusion for many people.

- Commitment to longer term funding beyond June 2020 with a 20% increase in funds received by service providers each year for 5 years.

If the intention of the Regional Seniors Transport Card is to assist older people with transport disadvantage in rural and remote areas, CT must be an eligible service because:

- CT might be the only accessible form of transport available.
- CT can provide better value for money than taxis or private vehicles over long, regional distances.

Further information

[The Sydney Morning Herald published an analysis of the transport measures in the Budget.](#)

Sector priorities:

- [Community Transport Organisation NSW Election Platform](#)

About NCOSS

The NSW Council of Social Service (NCOSS) works with and for people experiencing poverty and disadvantage to see positive change in our communities. When rates of poverty and inequality are low, everyone in NSW benefits. With 80 years of knowledge and experience informing our vision, NCOSS is uniquely placed to bring together civil society to work with government and business to ensure communities in NSW are strong for everyone. As the peak body for health and community services in NSW we support the sector to deliver innovative services that grow and evolve as needs and circumstances evolve.

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