



## NSW 2013-14 Budget: Securing a fairer future for NSW?

by Alison Peters

The NSW 2013-14 Budget was handed down by the NSW Treasurer, Mike Baird, on 18 June. The Treasurer described the Budget as one that was focused on securing the future for the state against a backdrop of difficult economic conditions. The Treasurer identified the Budget themes as jobs, housing and infrastructure underpinned by curtailing expenditure growth as the way to boost confidence by business to invest and grow.

The Budget papers forecast an improving economy with growth forecast at 2.75%, with CPI 2.5% and unemployment of 5.5%. The Budget position forecasts a deficit in 2013-14 returning to a surplus the following year (see table below). While much has been made of the reduction in GST revenue, this is based on previous forecasts. The Budget papers show that while less than previously expected, GST revenue to NSW continues to rise and is forecast to increase by 5.48% in 2013-14.

The Government has provided for indexation for sector funding programs of between 2.4 and 2.5% (different agencies use slightly different formulas in calculating indexation) and have committed \$297m over four years for ERO supplementation with \$32.1m in the 2013-14 financial year.

While supporting the vulnerable was a key pillar, along with improving

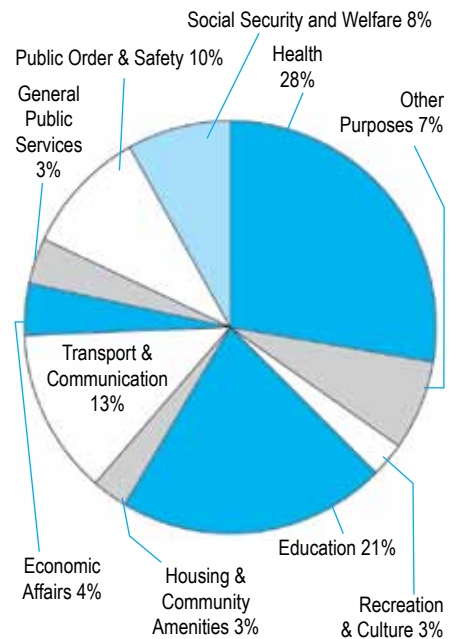


*“Maintaining the status quo, however, is doing little to make a real difference in the lives of people.”*

services and investing in infrastructure (reflecting the O’Farrell Government’s election commitments), there was little in the way of new spending. Across a range of portfolio and program areas, increases, where they occurred, largely reflected previous commitments and announcements and were generally modest in scale.

The focus on jobs, housing and infrastructure, however, did not prioritise the needs of low income, disadvantaged and vulnerable people and communities and in some circumstances – like cuts to TAFE – may make things more difficult.

Chart: Total Expenses by Policy Area



NCOSS was particularly disappointed that so little investment had been made to increasing the supply of social housing given other measures being undertaken to improve activity for other forms of housing. We were also concerned at a further reduction in expenditure in the area of prevention and early intervention for vulnerable children, young people and families. The sector has advocated for substantial investment in this area if we want to

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Table: Overall position

	2013-14	2014-15	2015-16	2016-17
Revenue (\$m)	62,573	65,731	68,615	71,001
Expenses (\$m)	64,462	66,295	68,459	70,466
Budget result (\$m)	(1,890)	(563)	157	535
Traditional result (\$m)*	(329)	829	1,305	1,526
2012/13 Forecast	289	562	1,172	-

\* Accounting standards relating to superannuation have changed the way the overall results are calculated

NCOSS is the peak body for the social and community services sector in NSW. NCOSS works with its membership on behalf of disadvantaged people and communities towards achieving social justice in NSW.

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# NCOSS Analysis of the 2013-14 NSW State Budget

The 2013-14 NSW State Budget was handed down on 18 June 2013 by Treasurer Mike Baird. NCOSS Policy Team worked initially on the papers as the Budget was delivered then attended departmental briefings and, having analysed the available budget information, have put together the following breakdown of the human services related spending.

## ■ Attorney General and Justice

### Overall

When the budget for the Attorney General and Justice Cluster is considered in terms of percentages, the changes to the total budgets for the Department of Attorney General and Justice and the Legal Aid Commission of NSW (i.e. expenses and capital expenditure) are not enormous.

The Department of Attorney General and Justice's budget has decreased by 0.5%, however this becomes a decrease of 3% after CPI (2.5%) is taken into account. With a total budget of \$5,859.8m this translates to a decrease of \$176.7m.

Legal Aid Commission has received an increase (2.7%) but after CPS it is reduced to 0.2%, accounting for \$500,000 of a total budget of \$251.6m.

### Attorney General and Justice

Within this service group, most programs within the Department have received either small increases or decreases, however several of the increases become small decreases after

*“...several of the increases become small decreases after CPI has been taken into account.”*

CPI has been taken into account. Where there is a reduction, it appears to be around staffing. During 2012-13 there were staffing cuts across most of the service group, in some cases significant cuts. It would appear this has impacted on individual program's Employee Related Expenses and the overall budget for the service group.

### Crime Prevention and Community Services

The budget for this program is difficult to analyse. The Grants and Subsidies line item for 2012-13 includes monies set aside for unpaid pending claims in the Victims Compensation Scheme. The actual amount is unknown making it difficult to compare the 2012-13 budget with the forecast budget. Unsurprisingly with the changes to the Victims Compensation Scheme, fewer Victims Comp applications (drop of 30.5%) are expected in the coming year. There is however an expected

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reduce the numbers of children and young people coming into contact with the statutory child protection system.

While NCOSS welcomes the NSW Government's ongoing commitment to continued funding for important programs for vulnerable and disadvantaged people and communities we note with concern the reduction in public service employment which is starting to affect the provision of such services to vulnerable households. For example, across the eight service areas within Family & Community Services (FACS) full time equivalent staffing will drop by 662 (a 4.75% cut) from 2011-12

levels by the end of 2013-14 with 440 of this total coming from Community Services (a 10% cut for Community Services). Some of this is explained by the transfer of service delivery to the non-government sector but NCOSS continues to be advised by the sector that such cuts are causing problems.

Overall, the NSW 2013-14 Budget provided a “business as usual” approach for many programs and services that provide support and assistance to low income, disadvantaged and vulnerable people and communities. Maintaining the status quo, however, is doing little to make a real difference in the lives of people. It is hard to say that the Budget does enough to secure a fairer future for low income, disadvantaged and vulnerable people.

increase of closed anti-discrimination complaints, rising by 37.5%, returning to the forecast figure for 2012-13.

Staffing in this program is also strange. Staffing has increased since 2011-12 (259 to 267) but Employee Expenses have dropped by \$6.3m.

### Offenders Program

This program has already experienced cuts. In 2012-13 it only spent 65.7% of the Expenses budget, \$54.75m remained unspent. It has also experienced a significant drop in staff (22%) part of a process which dates back to at least 2010-11, staffing having been reduced from 1,026 to 712.

What is of concern is that both the above programs have reduced financial capacity (Offenders Program) or appear likely to have experienced cuts (Crime Prevention and Community Services) but may be required to fund some of the initiatives referred to in the Budget Highlights (eg Youth on Track) and the NSW 2021 Performance Report.

### Legal Aid Commission

Funding for Legal Aid has remained basically constant. Staffing has remained relatively constant over the last 12 months and is forecast to remain constant over the coming year. Criminal and Family Law have received small increases in expenses. Civil Law interestingly will retain its staff but there is a 2.9% (or \$600,000) drop in Employee Related Expenses.

Community Partnerships funds the Domestic Violence Court Assistance Service and the Community Legal Centre Program. Based on the Grants and Subsidies line item within the Expenses forecast budget, there is no additional funding for either program, there appears instead to be a 3.4% or \$800,000 drop.

### Budget and NSW 2021 Performance Report Highlights

The majority of the big ticket items noted in the Budget Highlights refer to infrastructure and most are established projects/programs announced in previous budgets.

The NSW 2021 Performance Report also provides some information regarding initiatives for the coming period. Unfortunately it does not provide any

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information about the level of funding or how it will be funded. Based on the two sources there will be:

- \$2m for implementation of *Youth on Track Scheme - Early intervention* program for vulnerable young people at risk of committing a criminal offence or already in the system.
- \$5.6 m to implement reforms to the *Bail Act 1978* which will “implement a risk management approach to Bail that put safety and consistency considerations of the community first”.
- \$1m in recurrent funding to Legal Aid for regional outreach legal services to assist disadvantaged people with unpaid fines in support of the Work Development Orders program.
- \$700,000 to Legal Aid for the provision of homeless persons legal service in four regional areas.
- Funding for Stage 3 of the Metropolitan Drug Facility at the John Moroney Correctional Facility providing an additional 124 beds for men.
- Continued support for a new NGO person-centred case management service which provides a single point of entry into court-based programs in selected local courts.
- Introduction of innovative offender rehabilitation initiatives focussing on program completion rates. Based on the Services Measures for the Offenders Program, the emphasis will be on targeting aggression and addiction as opposed to readiness and employment training.
- Funding for a redesigned Joint Support Program funding NGOs and community-based programs targeting young offenders to address underlying causes of criminal behaviour.

The Pre-Budget Submission (PBS) identified five areas for new or additional funding which could improve the situation of vulnerable and disadvantaged people in relation to the Law and Justice Cluster. The only PBS recommendation that appears to have received funding is the Crime Prevention Strategy. \$2m has been identified for the Youth on Track Scheme aimed specifically at young people aged 10-17 years. There is also \$5.6m to implement the Bail Act reforms however its focus appears to be safety of the community, there is no indication at this stage that issues raised in the PBS may also be addressed.

*Amanda Smithers*



“...a 3% decrease in real terms... is a concern given the significant role of TAFE in providing an entry point to education and training opportunities for vulnerable and disadvantaged people.”

## ■ Education and Communities

### Early Childhood Education

The Budget papers reveal a significant under spend of approximately \$147m in the 2012-13 year. This under spend represents 39% of the budgeted amount for 2012-13 and follows a \$40m under spend in the previous year. The Department has explained the difference as being related to the timing of payments by the Commonwealth under the National Partnership. NCOSS and other members of the Children’s Services Forum are trying to reconcile the figures and are concerned that regardless of timing of payments, funding has effectively been reduced.

### School Education

The NSW and Commonwealth’s National Education Reform Agreement will deliver an additional \$5bn over the 2014 to 2019 school years. Provision of \$153m has been made for the 2014 school year. Despite this, the Budget shows a \$226m under spend in public school education. Taking CPI into account, expenditure for 2013-14 is a slight increase of 0.1% compared to the revised expenditure for 2012-13 and a 2.1% drop compared to the 2012-13 budget. The NSW Government’s contribution to non-government schools was revised \$16.8m above the 2012-13 Budget. The 2013-14 Budget sees a slight reduction of 0.66% in real terms compared to the revised expenditure for this financial year.

### TAFE and Vocational Education

The TAFE budget sees a 3% decrease in real terms compared to the revised expenditure for 2012-13. This is a concern given the significant role of TAFE in providing an entry point to education and training opportunities for vulnerable and disadvantaged people. There is a significant increase in the budget for Vocational Education and Training with a 17.6% real increase based on the previous year’s budget. However, the Budget papers also reveal a \$101m under spend compared to Budget in 2012-13.

### Social & Economic opportunities for Aboriginal People

The Budget papers show a real decrease in funding for this service area of 1% compared to the previous year’s Budget. The Government’s new Aboriginal Affairs plan OCHRE (Opportunity, Choice, Healing, Responsibility, Empowerment) will receive a total of \$4.7m. \$1.6m of this funding will be to support more Aboriginal students stay at school.

### Citizenship & Communities

The reduction in the Budget for Citizenship and Communities (15% real decrease based on revised expenditure) is partly explained by the move from 1 July to the F&CS Cluster of the Children’s Guardian and Working With Children Check functions. However, with an under spend of \$13m in the 2013-14 year NCOSS has sought further details about the reasons for this reduction.

### Community Relations Commission

The CRC has experienced a real decrease in funding of 6.5% compared to 2012-13 revised expenditure.

*Alison Peters*

## ■ Family and Community Services

### ■ Aboriginal Housing Office

The Aboriginal Housing Office (AHO) is a separate entity within the Family and Community Services cluster. NCOSS is pleased to note that it now has its own CEO, Paul Callaghan, and a nine member board.

The total Budget for the AHO for 2013-14 is variously described as \$114.5m, in the Treasury Budget papers, or \$149.5m, in the FACS Budget briefing booklet. The reason for this discrepancy is not clear.

The Budget includes \$49m for 103 new dwellings, \$26m for repairs and maintenance for Aboriginal community housing dwellings and \$11m for capacity building for the Aboriginal community housing sector under the Build and Grow Strategy.

Warren Gardiner

## ■ Ageing, Disability and Home Care

### Care Supports

The former Home and Community Care (HACC) Program provided in-home and community based support to frail older people, people with disability and their carers. As a result of the National Health Reform Agreement 2011, responsibility for the HACC Program has been divided between the Commonwealth and State and Territory Governments. The Commonwealth Government is responsible for funding and administering services for non-Aboriginal people over 65 and Aboriginal people over 50, and the NSW Government is responsible for funding and administering services for non-Aboriginal people under 65 and Aboriginal people under 50.

In October 2012 the HACC Program in NSW for people with disability under 65/50 was renamed the Community Care Supports Program (CCSP).

The NSW Government's allocation for the CCSP for 2013-14 is \$208m, \$23m less than the previous year's funding. This is a 12.7% reduction in funding from the NSW Government in real terms. ADHC has stated that the reduction is a result of the division of the HACC Program, and that funding to providers will not be affected after further negotiations with the Commonwealth. However, as information about the Commonwealth Government's allocation for the HACC Program in NSW is not yet available, it is unclear whether community care services in NSW will undergo an overall reduction in funding.

Minister Constance has made assurances that this reduction in NSW Government funding will not reduce services. However, NCOSS is concerned that any reduction will negatively affect services for people with disability reliant on community care. This is because unmet demand for community care is high, and there are considerable waiting lists for many services. With no growth, and a contraction in funding for basic and low-level supports, it is likely that people with disability will

experience escalation of their support needs and crises more frequently.

The Home Care Service of NSW will receive total funding of \$229.6m in 2013-14, with the NSW Government contribution being \$69.9m, a small reduction in dollar terms from the previous year's funding. The Aboriginal Home Care Service will receive \$23m in 2013-14. The Ministry of Health will receive \$20.5m, and Transport for NSW will receive \$9.2m in 2013-14 for community care services from the NSW Government.

**"...it remains a real concern that there is not a corresponding investment in the services and programs designed to prevent children being removed from their families in the first place."**

Where the Commonwealth Government previously provided payments to state and territory governments for HACC services, it now contracts directly with service providers for community care services for older people. Over \$450m in HACC funding therefore no longer appears in the NSW Budget as it has done in previous years. The Commonwealth Government's Budget for 2013-14 included growth funding of 6.6% for the Commonwealth HACC Program across the country (excluding Victoria and Western Australia).

Like other disability programs, the CCSP will be transferred to the NDIS from 2016-17 onwards. However, the community care sector is less prepared than specialist disability service providers for the introduction of person centred approaches and individualised funding. NCOSS has prepared a discussion paper – *Get this party started: Why we need person centred approaches in NSW community care* – to promote the changes needed to prepare people with disability using community care services and service providers to work in new and enhanced ways under the NDIS.

Rashmi Kumar

### Disability

The overall ADHC Budget will be \$282.4m including capital in 2013-14.

The focus of disability support in this year's Budget is the National Disability Insurance Scheme (NDIS) or DisabilityCare, particularly the launch site in the Hunter and the planned full roll out for NSW from 1 July 2016. The

Launch commences on 1 July 2013 and the full roll out for all eligible people with disability across NSW will be completed by 30 June 2018.

The NSW Government has maintained its commitment to disability spending up to the NDIS. The Treasurer announced that the proposed 2013-14 expenditure in the *NSW Stronger Together Plan* for investment in disability services has been fully funded, totalling \$440m (capital and recurrent). This represents an increase in Disability spending of around \$100m. However, priorities have been realigned towards NDIS preparation and implementation.

The day after the NSW Budget, NCOSS met with Andrew Constance, Minister for Disability Services to clarify issues relating to the NSW National Disability Insurance Scheme (NDIS) and individual funding commitments in NSW to facilitate choice and control. He reassured NCOSS that the NSW Government has not resiled from its original commitment to enable people with disability to maximise choice and control in their lives. More information will be made available shortly with the release of the *Living Life My Way Policy Framework*.

Over \$16m will be spent in 2013-14, \$54m over four years, under the new Fire and Building Safety Program. This will retrofit sprinklers and building safety measures in 330 ADHC provided group homes and supported accommodation facilities to avoid tragedies similar to the Quakers Hill Nursing Home.

Phase 2 of *Stronger Together* covers the period 2011-16. The 2013-14 Budget marks the mid-point in phase 2 of *Stronger Together Disability Plan*. Some of the highlights of the 2013-14 *Stronger Together 2* spending include:

- 300 supported accommodation places (900 places over the first three years of *Stronger Together 2*)
- 900 flexible respite places (2,800 places over the first three years of *Stronger Together 2*)
- 132 places to build support networks for families, parents and people with disability (300 places over the first three years of *Stronger Together 2*)

This is the third year of the Payroll Tax Rebate, \$10m over five years, for employers who employ a person with disability from the Transition to Work Program. This could provide a rebate of

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**Table:** Community Services expenditure on grants and subsidies

Service area	2012-13 under or overspend	2013-14 budget	% change	%change in real terms	% of grant to total expenditure
Targeted Earlier Intervention	-\$12,048,000	\$222,399,000	0.6%	-1.85%	90.5%
Statutory Child Protection	\$189,000	\$30,133,000	-0.8%	-3.3%	0.7%
Out-of-Home Care	+\$53,328,000	\$621,238,000	6.3%	3.7%	77.8%

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\$4,000 per permanent job. In response to NCOSS questions, there has been a very poor uptake of this rebate; in the first year due to poor promotion and last year reportedly due to prohibitive paperwork. This rebate could prove to be an important incentive for economic participation for people with disability and NCOSS urges that the rebate is facilitated in the easiest possible way to provide necessary incentives for employers to benefit from employing workers with disability.

In last year's Budget an amount of \$5m was allocated to Social Benefit Bonds. ADHC advises that it will not pursue the development of Social Benefit Bonds in disability services until the initial outcomes of the other NSW Government Social Benefit Bonds are available. This includes the Bond with UnitingCare Burnside to reduce child abuse and neglect which was signed in March 2013 by the NSW Treasurer and the Minister for Family and Community Services. Until the outcomes of other bonds are known, ADHC reports it will continue to investigate and support other financing options that are more straightforward and aligned with *Stronger Together 2* and the NDIS.

Financing for the NDIS Launch site in the Hunter from July will provide \$500m over three years, plus a further \$35m over four years. This includes the \$300m contribution from the Australian Government. Under the Heads of Agreement signed in December 2012, the Australian and NSW Governments agreed to determine the most appropriate funding mechanism for the NDIS by July 2014, including finalising the in-kind contributions. The in-kind contributions to the NDIS already announced include the transfer of *EnableNSW* (providing disability equipment), the Assisted School Transport Scheme and some TAFE activities.

NCOSS welcomes the Minister's announcement of the development of a Transition Strategy towards the NDIS and recommends that the Strategy engage with stakeholders and be publicly available to provide assurances and confidence to both people with disability and providers in NSW.

**"...performance measures in the Budget papers foreshadow no change in the number of households assisted through private rental products."**

Payments by the Australian Government to the NSW Government under the National Disability Agreement have risen by 3% to \$427m in 2013-14 over the revised budget for last year.

The NCOSS Pre-Budget Submission made three recommendations towards the 2013-14 NSW Budget in disability. NCOSS remains very concerned about the continuing unmet need for accommodation and supports for people with disability. NCOSS notes the new places allocated under *Stronger Together 2*. In the Pre-Budget Submission, NCOSS called for an urgent acceleration of the provision of accommodation places to address escalating unmet need. NCOSS welcomes the additional Supported Living Fund places but urges further investment as a priority. The NCOSS submission had a recommendation regarding equity in individualised funding arrangements. While not exactly equivalent, NCOSS acknowledges that this measure has been overtaken by NDIS developments and will be addressed by the full roll out from 2016.

The provision of independent advocacy and independent information has never been more important to support people with disability in person-centred planning and approaches, in accessing new individualised funding arrangements and in wider general community inclusion. In the NCOSS Pre-Budget Submission, NCOSS called for a doubling of funding to the provision of independent advocacy and independent information to both address existing unmet demand as well as to prepare for the anticipated demand expected in the transition to the NDIS and new expectations for increased participation in all aspects of the community. There has been no specific allocation towards this important function by the NSW Government.

Christine Regan

**■ Community Services**

Once again, the Community Services budget saw some changes to where programs sit making it hard to get a clear picture. The previous year's Budget had four service areas with the 2013-14 budget changing this to three. The previous service areas of Community Development and Support and Child, Youth & Family Prevention & Early Intervention Services have now been combined as Targeted Earlier Intervention for Vulnerable Children, Young People and Families.

However, even with the changes, the "inverted pyramid" of investment continues to see less money in prevention and earlier intervention with more allocated to out of home care (OOHC). In a budget of approximately \$1.49bn 53.6% of expenditure is in OOHC, 29.9% in Statutory Child Protection and only 16.5% in Targeted Earlier Intervention. While additional money for OOHC is welcome to ensure resources for children and young people who have been removed from their families receive the support they need, it remains a real concern that there is still not a corresponding investment in the services and programs designed to prevent children being removed from their families in the first place.

There has been an almost \$12m underspend in Targeted Earlier Intervention in the 2012-13 financial year, with a smaller underspend of \$2.2m in Statutory Child Protection but a \$47m overspend (compared to budget) in OOHC. Based on the revised expenditure levels the budget in each service area for 2013-14 is a 6% decrease in Targeted Earlier Intervention, a 5.3% increase in Statutory Child Protection and a 2.8% increase in OOHC. The increases do not seem quite as generous when CPI is taken into account with the figures being -8.5%, +2.8% and +0.3% respectively.

The decrease in Targeted Earlier Intervention has been explained by F&CS as being due to:

- Moving the Strengthening Families program to Statutory Child Protection (although this change is not obvious from the Budget papers);

- Reallocating Community Services corporate/head office staff across all service areas;
- Changing the focus of the Charitable Goods Transport program to focus only on the transport of food;
- No new round of Community Builders Fixed Term in the 2013-14 year saving \$10m.

Community Services have advised that they will be (again) reviewing the Community Builders Fixed Term program and that a further round of grants in line with whatever is decided from the review process will be available in the 2014-15 financial year. In a blow to many local NGOs, the underspend of \$1.8m, from the latest grant round has been allocated to three large projects in what is seen as a precursor to a fundamental shift in the focus for the small, but valuable, program.

Community Services' expenditure on grants and subsidies (a proxy for funding for the community sector) suggests that cuts in the overall budget have not come from the funding programs that the community sector are funded under (see table page 6).

*Alison Peters*

## ■ Housing NSW

In his Budget speech, the Treasurer Mr Baird said its themes were jobs, housing and infrastructure. His headline housing announcement was that the NSW Government had decided to extend its generous scheme for homebuyers of new properties (which was due to drop from \$15,000 to \$10,000 in 2014), for a further two years until January 2016. No costing was given for this decision.

### Homelessness Services

Excluding FACS corporate overheads, funding for Homelessness Services increases from \$197.4m in 2012-13 to \$220.1m in 2013-14. Most of this increase is due to the rollover of unspent NPAH project funds and the transfer of the Temporary Accommodation budget (under which Housing NSW places homeless families into motels for a few nights) into this service group.

The Budget includes \$138m for Specialist Homelessness Services (SHS), formerly SAAP, unchanged in real terms from \$134m in 2012-13.

There is a 12 month extension to funding under the National Partnership Agreement on Homelessness (NPAH). The FACS Homelessness Services budget includes \$29m in Commonwealth funding for NPAH. The NSW



**“NCOSS welcomes the Minister’s announcement of the development of a Transition Strategy towards the NDIS...”**

matching contribution of \$36m cannot be identified in the NSW Budget papers but should be revealed in the NSW NPAH Implementation Plan, when released.

The only new initiative is \$15m of state matching funding set aside for the construction of new long term housing for homeless people, conditional on the NSW bid to the Commonwealth being successful. As part of the transitional NPAH, the Commonwealth in March offered capital funds of up to \$38m nationally to develop new accommodation. NCOSS is pleased that NSW has submitted a proposal to access that funding.

There has been no further progress on Commonwealth State discussions about a longer term new Agreement when current NPAH funding ends in June next year. This is a major concern for the sector.

### Social Housing Assistance and Tenancy Support

According to the Treasury Budget papers, the 2013-14 Budget for Social Housing Assistance and Tenancy Support is \$755.6 million, including corporate overheads.

This includes the cost of tenancy management, \$52m for private rental products such as RentStart and Start Safely and \$48m for various affordable housing initiatives, including funding for previously approved projects under the National Rental Affordability Scheme (NRAS).

Housing assets including new supply and maintenance are managed by the Land and Housing Corporation (LAHC) in the Department of Finance and Services (see page 8).

Disappointingly, the performance measures in the Budget papers foreshadow no change in the number of households assisted through private rental products, which has in fact fallen significantly from the peak of 25,770 in 2010-11 to 16,000 in 2012-13. The number of available social housing dwellings is projected to fall from 141,000 last year to 140,700 in 2013-14, at a time when access to affordable rental housing is one of the biggest challenges facing low income households. .

*Warren Gardiner*

## ■ Office for Ageing

### Older People and Carers

The NSW whole-of-government Ageing Strategy was delivered in 2012 to respond to population ageing and the needs of older people. An Implementation Plan accompanying the Strategy will be released in 2013 to outline specific actions and initiatives under the Strategy.

Initiatives under the Ageing Strategy relating to disadvantaged people include a Help Line and Resource Unit to prevent abuse of older people, and targeted employment initiatives to recognise skills of older workers particularly women.

The NSW Office for Carers is in the process of developing a whole-of-government Carer Strategy, to replace the Carers Action Plan 2007-2012. The Carer Strategy is likely to be released in early 2014, with consultation occurring in the second half of 2013. Key themes of the Strategy will be:

- economic participation;
- health and wellbeing;
- access to information; and
- community engagement.

The Office for Carers is spending a total of \$3.5m in 2013-14 on a range of programs to support carers, including funding for Carers NSW, the Young Carer Program (\$255,000), \$1.14m for Carer Grants, and \$1.27m for the Companion Card Program.

## ■ Women

### Domestic and Family Violence

In 2013-14 Women NSW will focus on the development of a new, whole-of-government Domestic and Family Violence Framework in response to the Auditor-General's report in 2011 and the Parliamentary Inquiry in 2012.

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Two discussion papers and a new Domestic Violence Justice Strategy were released on 25 June in preparation for the Framework. Other strategies and plans will sit under the Framework. The Framework will align with the key outcomes in the *National Plan to Reduce Violence Against Women and Children 2010-2022*.

The Domestic and Family Violence Funding Program received a modest increase of \$100,000. With a total spend of \$3m in 2013-14, this amounts to a 0.8% increase in real terms.

The *Staying Home Leaving Violence* program supports victims of domestic violence to stay in their own homes while the perpetrator is removed from home and held accountable for the abuse. \$3.9m has been allocated for the program in 2013-14, delivering spending that was announced last year.

*Rashmi Kumar*

## ■ Finance & Services

### Land and Housing Corporation (LAHC)

The Land and Housing Corporation is the owner of government social housing assets, and is funded by rents, asset sales and the transfer of funds from Housing NSW in FACS.

As a public trading enterprise, its budget is not included in the Budget papers for the general government sector.

According to the capital works budget paper, LAHC spending on new supply is expected to be \$117.3m, down from \$138.6m in 2012-13. The 2013-14 figure includes a transfer of \$36.8m from FACS for 196 new community housing dwellings. Spending on asset improvement/maintenance will also fall, from \$194.5m to \$157.1m.

According to the Budget briefing for the sector, the LAHC expects to spend \$50m on public estate renewal projects already under way, and \$40m for leasehold properties.

### Rental Bond Board

The Budget for the Rental Bond Board for 2013-14 is \$56.2m, up from \$54.5m in 2012-13. The Board and its grant programs are funded from its investment portfolio.

The allocation for grants and subsidies is \$28.8m, compared to \$28.7m last year. The Budget papers do not break this down across grant programs.

*Warren Gardiner*

## ■ NSW Fair Trading

The total budget (expenses and capital expenditure) for Fair Trading is \$156.8m. This is a decrease of 0.9% or \$15,000 (with CPI, a decrease of 3.4%).

### Budget and Media Release Highlights

There are only two items relevant to the Sector or the NCOSS Pre-Budget Submission recommendations within the Budget Highlights and no key initiatives in the NSW 2021 Performance Report. There appears to be funding related to Residential Parks, however it is part of the of a \$5m package for regulatory reform, a program which is already underway. There is also an additional \$500,000 for the Consumer, Trader & Tenancy Tribunal "to increase hearing hours and improve dispute resolution timeframes in relation to residential tenancy matters."

Unfortunately there is no additional funding for boarding house reform initiatives outlined in the Pre-Budget Submission.

*Amanda Smithers*

## ■ Office of State Revenue

The NSW Government has projected revenue of \$62.6bn for the 2013-14 financial year. It is the role of the Office of State Revenue (OSR) to administer State taxation, collect revenue, outstanding fines and penalties, and to administer benefits and grants to provide assistance to families and enterprises across the state. OSR will receive \$241.7m, a 21% increase in real terms, to carry out this work.

*Alison Peters*

## ■ Health

### Overview

Health continues to dominate the NSW budget, comprising over one-quarter (28%) of NSW Government expenditure with a total budget of \$19bn in 2013-14.

Spending on health services (recurrent expenses) is set to increase 5.2% to \$17.9bn, a similar growth rate to previous years. Spending on infrastructure (capital expenditure) is forecast to increase 10.4% to \$1.2bn, excluding the Royal North Shore Hospital Public Private Partnership.

The budget papers show a \$285m underspend between the 2012-13 budget and the revised budget. The variation is attributed to accounting changes. The Health Minister has publically stated there was no underspend in 2012-13.

This does raise the issue of budget transparency. It is difficult to track new state expenditure in the papers, as previous funding commitments and Commonwealth funding components are not clearly identified. The 2012-13 Budget estimates have also been recast which make historical comparisons more difficult.

### Major initiatives

The bulk of expenditure growth is directed to growing general demand and meeting cost escalation. Of the \$884m recurrent expenses growth, over half (\$455m) is for general price and award increases. Over one-third (\$320m) is for patient services and activity in Local Health Districts (LHD). This included \$100m to sustain palliative care, aged care rehabilitation and emergency services previously funded by the Commonwealth under the Health and Hospital Workforce National Partnership Agreement expiring on 30 June 2013.

There are some modest new budget measures in the government's key priority areas. These include:

- Integrated care = \$30m
- Ambulance services & reform = \$14.8m
- Enable NSW = \$7.1m
- Radiotherapy = \$7m
- Palliative care = \$5m (\$10m total)

NCOSS welcomes the new innovative funding pool for integration initiatives. The NSW Ministry of Health advised the funding will be used to incentivise collaborations between LHDs and other private or not-for-profit providers to pursue integrated approaches across primary, acute and aged care, with a focus on better care in the community and reducing avoidable hospital admissions.

In the capital expenditure budget, \$153.6m is new spending on major works.

### Health promotion and prevention

There is very little new state money for preventive health. Most new investment is Commonwealth funding under the National Partnership Agreement on Preventive Health, including the Healthy Children Initiative (\$9.2m) and Healthy Workers initiative (\$7.6m). There is an additional \$1m (\$3m total) for community pharmacy in line with the Government's pre-election commitment.

Overall, there is little change in the health promotion budget. The forecast 0.8% budget increase equates to a small real decrease of 1.7%. NCOSS

would like to see a broader, more comprehensive approach to health promotion, prevention, and early intervention beyond lifestyle disease risk factors to keep people healthy and out of hospital.

## Primary and community health

Recurrent expenditure on Primary and Community Based Health Services is up 5.2% on the previous year, a real increase of 2.7%. However, there may be a small decrease in overall state funding if new Commonwealth public dental national partnership funding has been accounted within this service group.

The NCOSS PBS 2013-14 recommended a staged three year funding increase of \$208m per annum to re-orientate the NSW health system from hospitals towards more sustainability community-based services. It would be disappointing if there is no real state funding growth for this service growth.

## Oral Health

The oral health budget in 2013-14 is \$183m. Although the budget papers highlight \$50m to increase access to public dental services for eligible patients, this is Commonwealth funding under the new National Partnership Agreement signed in early 2013. There is no new state investment for oral health beyond general escalation of 2.5%.

NCOSS called for increased oral health funding by the NSW Government of \$35.5m. Public dental waiting lists continue to exceed over 117,000 people and we anticipate demand will remain high given the closure of the Commonwealth Chronic Disease Dental Scheme at the end of 2012.

## Mental health

Spending on Mental Health Services is up 4.1%, a real increase of 1.6%. Key initiatives include \$26m for additional hospital-based mental health services, \$1.8m to pilot an NGO-led integrated community based care service model for people with mental illness, \$1.6m to better respond to people with eating disorders, and \$400,000 to establish two Chairs in Depression and in Child and Youth Mental Health. The budget also continues funding for the new NSW Mental Health Commission, with \$10.5m in 2013-14.

NCOSS is pleased with the continued growth funding for mental health. Although our recommendation for community drop-in and integration services was not funded, we welcome the new integrated service hub pilot. We would like to have seen a greater



**“Public dental waiting lists continue to exceed over 117,000 people and we anticipate demand will remain high ...”**

proportion of the additional investment in hospital-based services directed to community-based care.

## EnableNSW

One of the major wins in the health budget from the perspective of NCOSS is the additional \$7.1m for *EnableNSW*. This includes an extra \$2.9m for the Home Ventilation Program, \$1.5m for the Children’s Home Ventilation Program, and \$2.7m for the Prosthetic Limb Service.

This is a very welcome increase, although it represents only a third of the funding NCOSS believes is required. We called for an additional \$24.4m in 2013-14. Nevertheless, it represents a significant investment in a generally restrained budget.

## Health Transport

NCOSS did not have information about the Transport for Health budget at time of publication. We had called for an increase community transport funding allocated through the Health Related Transport Program to \$11.7m.

Disappointingly, there is no budget enhancement for the Isolated Patient Transport and Accommodation Assistance Scheme (IPTAAS) again this year, despite the NSW Government’s election commitment to increase IPTAAS funding by \$28m over four years. This leaves \$21m remaining to be allocated in next years budget, as only \$7m was allocated in 2011-12.

There is an additional \$14.8m to respond to the growth in demand for ambulance services and support staged implementation of the NSW Government’s Reform Plan for NSW Ambulance.

## Health NGO Program

Indexation for existing Health NGO grants is 2.5%. From 2014, the former Ministerial Health NGO Program will be replaced by a new funding framework, NSW Partnerships for Health. Many services/programs currently delivered by NGOs through grants will be transitioned to fee for service contracts through open, contestable procurement in 2013-14. There will be a staged transition from mid-2013 to 2014. Further information about the funding reforms is on the NCOSS website.

*Solange Frost*

## ■ Premier and Cabinet

### ■ Department of Planning and Infrastructure

The Department of Planning and Infrastructure has been allocated \$20.9m to implement a new planning system, including funding to receive feedback on the Government’s White Paper and to develop the ‘cultural and legal components’ of the new system.

The Government claims that the 2013-14 Budget includes funding of \$302m to accelerate housing construction in growth areas, building on the allocation of \$231m in the 2012-13 Budget. It is difficult to establish from the Budget papers the period covered by these allocations, and the extent of double counting of infrastructure spending across various clusters. To make matters worse differing program titles are used in different Budget publications; for example, the title *Local Infrastructure Growth Scheme* used by the Department in its Budget announcements does not appear in the Treasury Budget papers.

Planning and Infrastructure’s Budget papers make reference to more modest spending for 2013-14, including \$49m for the Priority Infrastructure Fund, \$18m for the Hunter Infrastructure & Investment Fund and \$8m for the Precinct Support Scheme for the new Urban Activation Precincts. The Precinct Support Scheme spending comes from a larger allocation of \$50m first announced in the 2012-13 Budget.

Community infrastructure programs in other clusters include the Community Building Partnership program in the Education and Communities cluster, allocated \$23m in 2013-14, and the Resources for Regions program in the Trade and Investment cluster, allocated up to \$120m for infrastructure in designated mining affected communities.

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In addition the Division of Local Government still has some \$30m available in interest rate subsidies for council borrowings for capital works under the Local Infrastructure Renewal Scheme (LIRS).

**State Infrastructure Strategy**

Total State infrastructure (capital works) spending in 2013-14 is estimated as \$15.5bn, a modest increase on the previous year's \$15bn Budget but a substantial reduction in the 2013-14 forward estimate of \$17bn published in last year's Budget.

*Budget Paper 4* shows a substantial increase in the share of infrastructure spending attributed to the general government sector (that is, by Budget dependant agencies) compared to the public trading enterprise sector (government owned electricity and water utilities whose spending is sourced from borrowings and user charges). The Government attributes this to the PTE enterprises, including the electricity networks, managing their capital investments more efficiently.

General government sector capital spending reflects the finalisation last year of the Government's Long Term Transport Master Plan and its 20 year State Infrastructure Strategy.

Section 3 of *Budget Paper 4* sets out the Government's Five Year State Infrastructure Plan, as required under section 21 of the *Infrastructure NSW Act 2011*. There are a number of problems with the presentation of this material, including the use of varying timeframes and the withholding of information considered to be commercially sensitive. It also refers to a Bus Mode Plan that has yet to be finalised or costed.

From our sector's perspective, the most depressing aspect of the Infrastructure Budget is the realisation that just 2% of the state's capital works budget for 2013-14 is allocated to investment in social housing by the Land and Housing Corporation. This compares to \$7.3bn or 47% on transport, electricity \$3.3bn or 21%, health \$1.1bn or 8%, water \$902m or 6% and education \$538m or 3%.

*Warren Gardiner*

### ■ Independent and Oversight Agencies

There are a number of independent and oversight agencies who investigate and monitor Government (and in the case of the Ombudsman, the community

sector) performance. Agencies such as the Audit Office, the Ombudsman, ICAC, IPART and the Police Integrity Commission are an important part of maintaining appropriate integrity, accountability and transparency standards across Government.

**"...the most depressing aspect of the Infrastructure Budget is that just 2% of the state's capital works budget for 2013-14 is allocated to investment in social housing."**

While the Budget papers suggest record funding has been allocated to the independent and oversight agencies in this year's Budget, both the ICAC and Ombudsman have had a real decrease in recurrent appropriation (0.1% and 4% respectively) with any increase coming from special one off allocations for specific issues. Given the importance of oversight agencies, NCOSS will be seeking further information about the budgets for these agencies to ensure their vital role is not curtailed due to inadequate resourcing.

*Alison Peters*

## ■ Trade and Investment, Regional Infrastructure & Services

### ■ Electricity

Over the last two years energy has boasted one of the biggest infrastructure budget allocations through the public trading enterprise sector – \$3.3bn this year and \$4.2bn last year. Is this what residential households have been paying off every quarter through high electricity bills? Why hasn't the State Government, which owns much of the infrastructure, used some monies it has re-couped from customers to initiate a program to prevent electricity disconnections, in the light of over 23,000 disconnections in NSW during 2011-12?

Another thing the government could have done is provide a boost to total funding for the Energy Accounts Payment Assistance (EAPA) through last year's big underspend on the Family Energy Rebate. While NCOSS is pleased that the value of EAPA vouchers will increase from \$30 to \$50 (one of our PBS priorities), we are concerned that the total budget for 2013-14 of \$15m is the same as last year's allocation, meaning that the pie will be spread thin and

fewer customers will receive EAPA. Furthermore, despite ongoing advocacy, residents of caravan parks are still not eligible to apply for EAPA.

In this year's budget the Department of Trade and Investment has allocated \$247m to assist eligible NSW households meet energy needs and reduce the impact of power prices. Included in this figure is an allocation of \$206.9m for the Low Income Household Rebate and \$18.9m for the Family Energy Rebate. NCOSS is pleased that the Low Income Household Rebate will be extended to eligible residents of retirement villages on 1 July.

The government does make a commitment in its Budget Papers to reform the state-owned networks to drive down electricity prices. The price determination, recently handed down by IPART for a NSW average 1.7% rise in prices, is a very welcome decision which will assist households on low and fixed incomes manage their electricity bills.

*Robyn Edwards*

### ■ Office of Liquor Gaming & Racing and the Responsible Gambling Fund

Revenue from gambling and betting makes up approximately 8% of the NSW Government's tax revenue and approximately 3% of total revenue. Of the \$1.8bn revenue from gambling and betting \$1.1bn comes from gaming machine taxes. Registered clubs are taxed at lower rates on gaming machine profits than hotels and the Budget papers estimate that this cost the NSW Government approximately \$777m in foregone revenue in the 2012-13 financial year.

While the Budget papers show a very small increase of 0.6% in expenditure (a 1.85% decrease in real terms) in the Industry, Innovation and Investment service area, the papers do not include details regarding specific offices within the Department. The Budget papers do highlight however, that \$15.1m will be available through the Responsible Gambling Fund for measures to deal with problem gambling (an increase of 4.9% on 2012-13 revised expenditure or an increase of 2.3% in real terms). It should be noted that there was a \$1m underspend in the 2012-13 financial year. The Government have also announced that \$11m will be available under the ClubGRANTS scheme for Category 3 projects with details about eligibility and the application process to be announced shortly.

*Alison Peters*

## ■ Transport

This year's budget sees a total \$14.6bn spending on transport; \$9.5bn to public transport and \$5.1bn to roads and maritime. This reverses previous successive years where spending for roads was higher than public transport. Capital expenditure for public transport is \$4.1bn, being 32% up from last year.

Among the key public transport initiatives are \$806m for the North West Rail Link, \$353m for South West Rail Link, \$105m for Wynyard Walk and \$75m for the CBD and South East Light Rail. None of these are new announcements.

Road projects include a whopping \$1.8bn for the Westconnex Road to Port Botany, to be allocated over four years. It's only 33 kilometres, meaning each kilometre costs \$54.5m.

NCOSS is pleased to see that the successful and much needed Transport Access Program (TAP) has \$195m allocated in this budget, up \$47m from last year's \$148m, an increase of 32%. The TAP program is responsible for providing disability access and upgrades on stations across the CityRail network. At a Budget Briefing organised for NCOSS by Transport for NSW,



officers reported that the four priorities for selecting stations are customer need and demographics, station patronage, proximity to key services such as hospitals, and accessibility of nearby transport interchanges.

The bad news in the budget is that there is no funding increase to the Taxi Transport Subsidy Scheme (TTSS) to support lifting the \$30 subsidy cap to a more realistic level. The TTSS, inferior to comparable schemes in other states, impacts on those people with disability who are totally dependent on taxis in order to be able to get out of their homes and participate in wider society. There has been considerable advocacy and lobbying by disability and community organisations, including

NCOSS, to improve the Scheme. The allocation of \$29.4m, a 7% increase from last year's \$27.4m, takes into account the increase in demand and taxi fares. NCOSS asks the Minister for Transport to inform the disability sector when they can see a real improvement to the scheme through an increase in the subsidy cap.

The Community Transport Program has been allocated \$7.5m, which includes the \$3m enhancement announced last year of \$12m over four years.

The Budget Papers service measure of public transport patronage across the Sydney metropolitan area provides good news that patronage is growing, both on rail and bus. CityRail (2010-11 to 2012-13) has seen increases from 294.5 million to 308.3 million journeys. In the same period Metropolitan Bus has seen an increase from 198.7 million to 207 million journeys.

*Robyn Edwards*

This analysis can be downloaded from the NCOSS website:

[ncoss.org.au/resources/130619-NCOSSBudgetBriefing.pdf](http://ncoss.org.au/resources/130619-NCOSSBudgetBriefing.pdf)

Budget Papers are available from the NSW Government website: [www.budget.nsw.gov.au](http://www.budget.nsw.gov.au)



# NCOSS Community Jobs

NCOSS **Community Jobs** assists community and welfare organisations across NSW to find quality staff. Our targeted service (est. 1997) attracts tens of thousands of regular visits per week from people seeking work in the human services sector and related fields. We have listed over 1,500 positions in the last year.

- Listings can be as detailed or brief as you want - you can supply selection criteria and job descriptions
- Listings are usually placed on-line within one working day of receipt and remain on-line until applications close.
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