

House of Representatives Standing Committee on
Economics, Finance and Public Administration

Inquiry into

Local Government and Cost Shifting

Submission from the City of Greater Dandenong

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Melbourne's 2nd City

GREATER DANDENONG



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Introduction

The City of Greater Dandenong welcomes the opportunity to make a submission to this inquiry.

We are aware of submissions being prepared by the Municipal Association of Victoria, and other councils in Victoria, demonstrating particular examples of cost shifting from Commonwealth and State Governments to local government.

In this submission, we wish to broaden the horizon, considering the wider issues introduced in the Inquiry's terms of reference, focusing on local government's roles and responsibilities¹.

In particular, we would like the Committee to consider some of the challenges involved in ensuring the vitality of Australian communities over the next 20-40 years – in economic, social and environmental terms. These challenges require local government to go beyond doing our traditional tasks well.

This is a scope that requires involvement and cooperation between a wide range of players.

There are mechanisms and experience, both in Australia and internationally, of what can be done to encourage local development – and of what can work and what may not work. Local government has important resources and skills we can bring to the tasks. But we cannot do it alone – there are important roles for all spheres of government, for our communities and for business.

As noted below, there is a particular need in some parts of Australia that are not sharing fully in the nation's impressive recent economic performance. The City of Greater Dandenong believes that this Committee's inquiry can play an important role in suggesting ways that these issues can be tackled.

We note the proviso in the Inquiry's Terms of Reference "The inquiry is to be conducted on the basis that the outcomes will be budget neutral for the Commonwealth". In recent years, the Commonwealth has provided important funding for social and economic development initiatives in rural and regional Australia. Within these allocations and precedents, the Commonwealth can make an important contribution to disadvantaged parts of metropolitan areas. This contribution could be a major step in assisting communities build on the resources and skills we have to ensure a more successful future.

¹ See Appendix 1



The role of local government

The wider ambit we seek for the role of local government is consistent with discussions in the Committee's first public hearings, in Perth on 6 August 2002. We welcome the wholistic approach outlined by the Committee's Deputy Chair in opening those proceedings:

In this inquiry, we are looking at local government roles and responsibilities, current and alternative funding arrangements and the scope for achieving a rationalisation of roles and responsibilities between the levels of government. We are interested in achieving better use of resources and delivering better quality services to local communities. (Committee Hansard, Tuesday 6 August 2002, p1²)

Consistent with this, the key question posed of witnesses was

As a very broad question, what do you think the fundamental responsibility of local government is? Can we quantify it to begin with? I am going to ask everybody this. Is there something that is distinctly local government's prerogative? (p5)

The basic aim was well put by councillor Savage, Shire President, Shire of Gnowangerup, WA

I believe that our role as local government is to provide the best possible environment and the best quality of life that we can practically provide for the people in our area. (p22)

As a number of witnesses indicated in their presentations to the Committee in Perth, the role of local government is fundamentally changing. Councils are increasingly expected by our communities to not only deliver traditional services well but also to respond to changing times. Councils have for example been active in helping communities respond to bank closures, in attracting services such as doctors to small towns, and in building new initiatives. In a number of cases, Commonwealth and State programs have assisted in these processes – good examples being telecommunications projects under the Networking the Nation program and Rural Transaction Centers.

A key challenge is working out how best to approach these tasks.

The scope is wide, involving new challenges – which, from the Committee's Perth hearings, even include the memorable need to calculate the incidence of drought in Dry Sheep Equivalents³!

² <http://www.apf.gov.au/house/committee/efpa/localgovt/index.htm>,

<http://www.apf.gov.au/house/committee/efpa/localgovt/hearings/proofperth.pdf>

³ Perth transcripts, p21-2



The longer term view

A lead can be taken from the recent Commonwealth Budget. Along with the usual Budget Papers, the Government this year published Budget Paper Number 5. Entitled the “Intergenerational Report”, this gives a 40 year forward look for economic and demographic trends, and their implications for Commonwealth finances⁴. As the Budget paper notes, similar reports are now being prepared in a number of countries.

The United Kingdom, United States and New Zealand governments, and the Organisation for Economic Co-operation and Development (OECD) and European Economic Policy Committee (EEPC) have also recently prepared similar long-term reports on public finances. These reports, like this Intergenerational Report, use projections to consider long-term sustainability. (p iii)

Taking this longer term perspective, what are the key issues determining the future of our local communities – and what can local government do to influence those?

The City of Greater Dandenong conducts intensive consultation with our community, through both formal surveys and community forums. From the issues raised in this discussion, and from other experience both national and international, the four key issues shaping our future communities are:

- economic development
- social vitality/leadership
- security
- environment

This submission, in analysing these issues below, argues that local government can play an important role in each of them. To some extent, this extends the role for councils. But other aspects are well within the traditional “bread and butter” of local government. A key example is maintaining and renewing the community’s physical infrastructure of roads and drains – which play an important role in both economic development and environment.

Infrastructure

It must be acknowledged that local government, as well as taking on new roles, has a responsibility to carry out its traditional tasks well. In the particular case of infrastructure, the recent State Government report “Facing the Renewal Challenge”⁵ demonstrated that many councils have to do better in maintenance and renewal.

⁴ <http://www.budget.gov.au/2002-03/bp5/html/index.html>

⁵ P Burns et al *Facing the Renewal Challenge* Report for the Department of Infrastructure, 2000.



Greater Dandenong is responding to the evidence presented in the report both by increasing resources for infrastructure renewal and developing a twenty-five year forward infrastructure development and maintenance program.

But in undertaking infrastructure maintenance and renewal, councils have to be aware of changes in expectations, so that renewed assets can effectively contribute to community economic and social development. And here it is no longer just a case of maintaining infrastructure. There are new pressures and expectations that require significant re-investment beyond just maintenance – indeed, the level of reinvestment required is in some cases more than the cost of the original asset.

Examples of such pressures include:

- from the transport and logistics sector for roads capable of handling greater axle loads (B-doubles and B-triples),
- from the community for road safety and traffic calming, and for undergrounding overhead cables,
- from environmentalists for solar lighting and improvements to urban drainage systems,
- from sporting clubs for improved playing surfaces (both natural and artificial),
- from parents for improved and safer playgrounds,
- from public transport users for higher quality and more accessible bus shelters
- from bicycle riders for extended and improved quality bike paths,
- from the ageing in terms of footpaths and walking trails.

All of these are important infrastructure improvements for the community, and all can contribute to the economic and social development we are seeking. The list demonstrates some of the complexity local governments face, even in dealing with our “traditional” operations.

Four key new roles

But, as was demonstrated in the Committee’s hearings in Perth, our communities are demanding more from local government than just doing our traditional tasks well. And frequently these new tasks require local government acting in conjunction with our communities, with other spheres of Government, with local businesses, and with other local institutions such as education and health facilities.

A key point to stress is that effective action in these four areas provides a reinforcing “virtuous circle”. A healthy and attractive environment encourages businesses to locate and grow. And, as a recent community consultation for Greater Dandenong found



“A sense of security in the future is an important part of people’s capacity to cope with change. When people feel more secure, they are more likely to participate in community activities and initiatives. They are also able to have a stronger sense that their own lives can be improved and their aspirations fulfilled.”⁶

Economic development

Probably the most important factor in shaping how our community will look in 20 or 40 years is economic development.

International Approaches

The primacy of economic development is underscored by two international references: the rating agency Standard and Poors and the UK Audit Commission.

Standard and Poors assesses the financial health of regional and local government in giving ratings on the debt governments issue. The agency’s starting point is

“The economic base, growth, and diversity of a region or locality are among the most critical determinants of a rating. Fiscal health is intimately linked to economic prosperity in almost all cases. Most revenue sources - from sales, property, and income taxes to various licenses and user fees - are affected by economic growth patterns.”⁷

The second reference is work in the United Kingdom on the regeneration of disadvantaged areas. In June 2002, the Audit Commission reviewed activities under the UK Government’s New Commitment policy⁸. In its report “Neighbourhood Renewal Policy Focus” the Commission commented:

“Regeneration is increasingly a key priority for the Government, councils and the communities they represent. Different localities will want to pursue combinations of activities that reflect their local circumstances, but the importance of economic viability, environmental sustainability and social cohesion is recognised across the country.”

⁶ City of Greater Dandenong “Towards a Desirable Future: Consultation Outcomes” report prepared with assistance of MyriadD consultants, 2002

⁷ <http://www.standardandpoors.com/ResourceCenter/RatingsCriteria/NonUSPublicFinance/index.html> A list of key variables used by the agency is given in Appendix 2

⁸ <http://www.audit-commission.gov.uk/subject.asp?catID=ENGLISH^LG^SUBJECT^LG-REGENERATION>



The Commission noted the challenges of encouraging various bodies and groups to work together to achieve the overall policy goals. It also strongly encouraged the use of performance indicators to assess the effectiveness of local initiatives.

The cooperative approach involving all spheres of government and local communities has been encouraged in initiatives following the Federal Government's Regional Australia Summit in October 1999. Indeed, similar mechanisms have been encouraged for some time – as for example in a 1994 McKinsey report⁹

Our old model of Federal and State governments 'doing and directing' and weak local leadership assisting (sometimes) is no longer appropriate. It needs to be replaced by a new model in which Federal and State governments facilitate and provide the framework for change while energetic business and local leaders 'do and direct' the change. (P19)

Disparities in Growth

While Australia overall has had very impressive economic performance in the past ten years, the benefits of growth have not been equally shared across all areas and communities. Recognising this, the Commonwealth Government has taken a strong lead in initiatives for regional Australia – for example through the Regional Australia Summit and subsequent developments.

The distinction between metropolitan and regional Australia, while highlighting important needs in regional Australia, obscures the growing differentials within metropolitan centers. For example, Greater Dandenong, with a long standing employment emphasis in manufacturing, has not enjoyed as much of the boom in the information economy and jobs as have the inner suburbs of Melbourne.

⁹ McKinsey report for Commonwealth Government "Lead Local, Compete Global: Unlocking the Growth Potential of Australia's Regions" July 1994



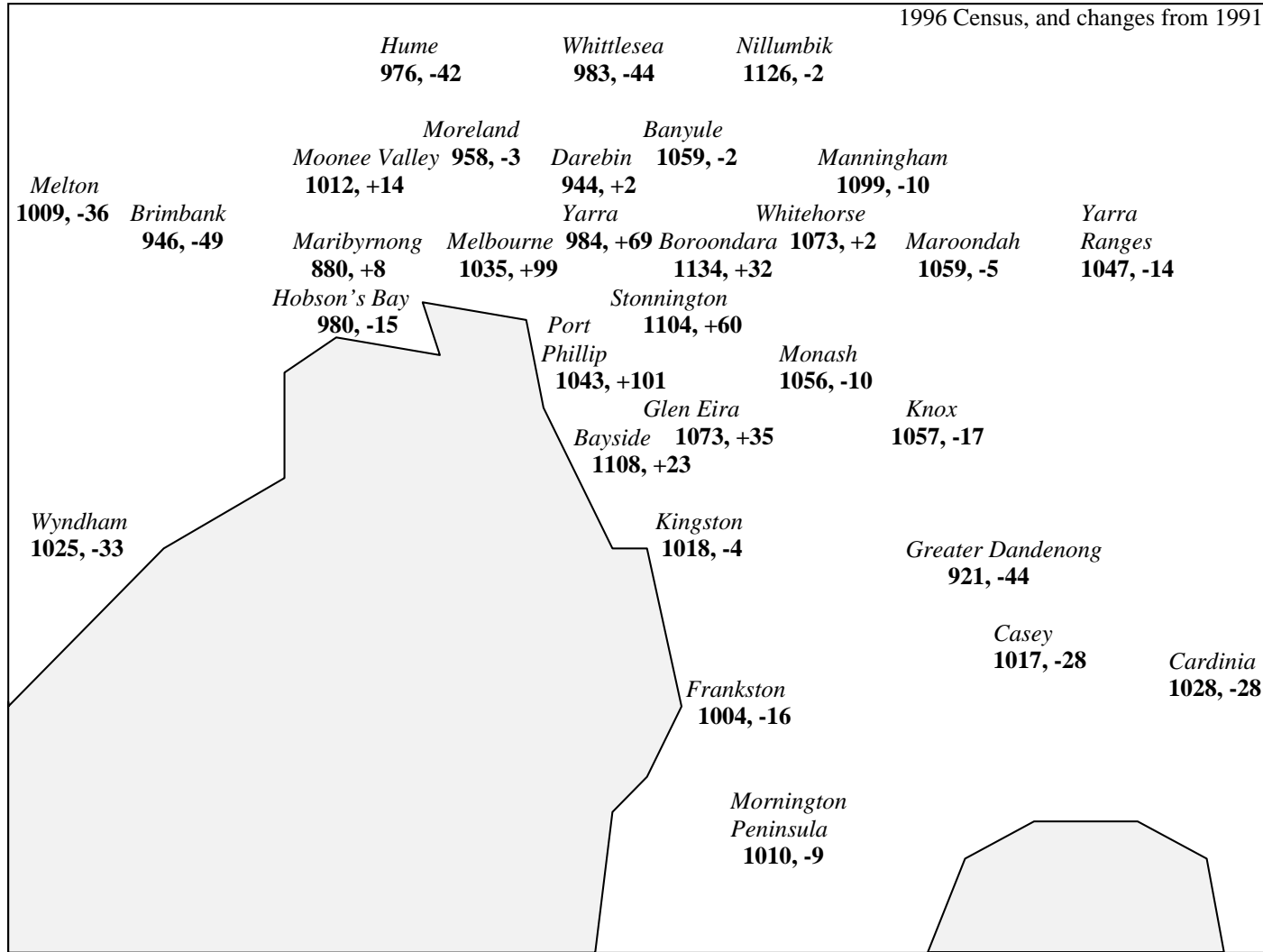
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This impact can be seen in trends in the SEIFA socio-economic index published by the ABS after each Census. The figures from the 1996 Census, and changes since 1991, are shown in the map¹⁰.

¹⁰ In publishing the SEIFA indices, the ABS stresses that each index is a comparative measure for that Census only, and the scales are not comparable between Censuses. Nonetheless, the figures recorded by the indices in the map clearly show strong, and in some cases alarming, social trends. See ABS catalogue no 2039.0 *1996 Census Information Paper: Socio-Economic Indexes for Areas*



METROPOLITAN MELBOURNE -ABS INDEX OF SOCIO-ECONOMIC DISADVANTAGE





The 2001 Census figures are not yet available – but it seems likely they will show further the trends of strong downward movements in the index for traditional industrial areas such as Greater Dandenong and Brimbank, and major upwards movements in inner suburbs such as Melbourne and Port Phillip.

A range of social research has confirmed that such social disparities can become self-reinforcing. Professor Bob Gregory of the ANU for example has mapped unemployment rates for families with children across postcodes¹¹, indicating that job success and education success are closely related – and lead to continuing intergenerational patterns.

SE Melbourne Initiative

The City of Greater Dandenong has recently joined with ten other councils and three infrastructure providers in the Scoresby freeway corridor to investigate economic development opportunities in our region¹². The results of detailed research of current trends were presented at a seminar on 22 August 2002.

Central findings of the economic research are:

- The strongest recent economic and employment growth in Melbourne has been in business and financial services located in inner suburbs;
- A disparity is opening up between those areas linked to this inner urban growth and those with fewer employment and service ties to the center. This could raise the prospect of “two Melbournes” – and many of the outer eastern and southern suburbs fall into the latter category.
- While some 40% of Victoria’s manufacturing industry, with a strong export focus, is located within 15 km of Greater Dandenong, this area does not have a strong business services sector to encourage the further development of this manufacturing;
- In recent years, much of Melbourne’s growth in manufacturing and transport has located in the western and northern suburbs, encouraged by better transport infrastructure of the Western Ring Road;
- These trends create challenges for the traditional manufacturing base of the south eastern suburbs, with the possibility of some areas slipping behind the growth suburbs “in terms of adjusting to, and capitalizing upon, the forces and trends of globalisation.”¹³

¹¹ Professor B Gregory, The Centre for Economic Policy Research ANU, discussion papers, especially “Children and the Changing Labour Market: Joblessness in Families with Dependent Children” (DP 406, July 1999), and “A Longer Run Perspective on Australian Unemployment” (DP 425, November 2000). See <http://cepr.anu.edu.au/discussionpapers>

¹² Prosperity for the Next Generation Project, with papers commissioned from Melbourne University, SGS Economics and Planning, National Economics, and Ratio Consultants.

¹³ SGS Economics and Planning “Prosperity for the Next Generation: Synthesis of Existing Information” March 2002, p12



The reports suggest three themes for action:

- Development of a major center to help generate, attract and hold a substantial body of local advanced business services;
- Attraction and retention of knowledge workers and “enterprise households” through encouraging attractive urban environments and services. Longer term land use strategies are important here;
- Management of the Scoresby transport corridor as a key industry development asset.

These studies have shown the issues to be addressed, and also indicated some of the strengths that can be built on to tackle those issues. The central governance challenge is effective leadership to combine the economic and social resources.

Security

As noted above, the City of Greater Dandenong places considerable emphasis on consulting with our community. In addition to participating in the State-wide community satisfaction surveys conducted annually by the Department of Infrastructure, the City conducts our own opinion surveys.

Market research firms conducted detailed surveys in 1999 and again in June 2002¹⁴. Respondents to this year’s survey clearly nominated their two major areas of concern as “improving personal safety/reducing crime” and “reducing the impact of drug/alcohol use”. A similar emphasis was reported by an August 2002 study of students’ perceptions of the City. Concerns were expressed about the safety of walking the streets, about the incidence of drug usage and graffiti, and of the need for better management of public spaces such as railway stations¹⁵.

We note the comments of the Chair of the Committee in Perth

I am fascinated that everybody has said that there is an issue about security. Do you think you exacerbate the situation by offering a security service that might not be needed? Is it real or perceived? Is it a community expectation? Is it based on fear? Is it based on reality? Are we sometimes offering things that are not needed or warranted just because the community says, ‘I feel unsafe,’ but that, if you look at the statistics, you actually cannot quantify that they are unsafe? Has local government created its own problem by providing something that raises community expectation?¹⁶

¹⁴ In each case, the sample size was 1,000 Greater Dandenong residents.

¹⁵ TNS Consultants “Exploring students’ perceptions of the City of Greater Dandenong” August 2002

¹⁶ Committee hearings, 6 August, pp17-8



We agree that it is important to get an accurate picture of security trends, and the City has worked with the Victorian Police and other agencies to build a very detailed database of security and drug-related events.

However, our experience is that this is not sufficient. Local government should respond to the wishes of its constituents, and in this the perceptions become the reality. In Greater Dandenong, this has especially become an issue with drug problems – especially in the incidence of street drug trade.

If shop and restaurant owners close early because of worries over street crime, that harms efforts to create a vibrant environment. If young people move away from an area because they perceive it as having safety problems, that could rob us of important creative and innovative resources.

In responding to our community's concerns, the City of Greater Dandenong has implemented a range of programs:

- A five year community safety program;
- A “secure seniors” program, with funding from the Department of Human Services;
- Measures, jointly with local retailers, to enhance local shopping environments;
- New measures to tackle graffiti and clean up promptly;
- Three local drugs action forums/committees established and resourced;
- Increased street cleaning efforts – collecting some 7,000 syringes a month.

As with the economic development initiatives, much of this effort is being provided by the community itself, and also by other agencies. In our drug initiatives for example, Greater Dandenong is working with Melbourne City Council, local health providers, Monash University, the Department of Human Services, the Police, and non-profit organizations such as Turning Point Drugs and Alcohol Services.

Environment

Greater Dandenong has an active environmental improvement policy. We see this as important for a number of reasons:

- To minimise adverse impacts on the environment, and establish sustainability;
- To create attractive and sustainable environments for residents and businesses, with (as outlined above) benefits in assisting economic and social development;
- To demonstrate community leadership in this important area.



In implementing this policy, the City has:

- Published a State of the Environment report;
- Met Cities for Climate protection targets
- Implemented a five year streetscape improvement plan
- Undertaken specific streetscape improvements in the shopping centers of Dandenong, Springvale and Noble Park.
- Worked with EPA on programs to reduce domestic waste to landfills.

Once again, effective programs in these areas require cooperation and coordination with a range of community groups and other agencies.

Social Vitality / Leadership

A central part of our future vision is empowering communities to achieve their own ambitions. This is vital not only in itself but also for what it contributes to economic, social, environmental and security goals.

Greater Dandenong has an impressive range of community groups. As well as providing assistance from council officers, the City has an annual grants program. In 2000-01, the council provided \$1.6 million in grants to 160 different community groups.

Greater Dandenong has one of the most ethnically diverse communities in Australia. This is a major source of strength for the community moving forward, but also raises particular challenges. 46 of the groups receiving grants reflect these diverse multicultural groups in our community.

These council contributions fit within activities now frequently described as “community building” or “capacity building”.

Community capacity refers to both individual and communities’ ability to draw on the commitment, resources and skills of themselves and others to solve problems and take advantage of opportunities. . . ‘Image’ and ‘Pride’ were considered key features that should underpin community building activities¹⁷.

In this area, Greater Dandenong is participating in several innovative State Government programs, including:

¹⁷ Towards a Desirable Future report, p16-7



- Community building. One of the initial eleven demonstration projects is based in Greater Dandenong.
- Neighbourhood Renewal
- Local Learning and Employment Networks. Greater Dandenong is an active participant in our local LLEN.

More details on these initiatives are given in Appendix 4.



Moving Forward

This submission has outlined four key areas that our communities expect action on: economic development, social vitality/leadership, security, and the environment. In doing so, we have discussed a number of challenges and also a range of responses that Greater Dandenong is already taking.

The discussion has noted some serious issues, especially in the economic development and security areas, which need effective responses.

Such responses are possible. As a number of communities have shown, all communities have strengths that can be built upon to respond effectively to challenges. There are also important international initiatives we can draw upon – for examples the UK regeneration policy referred to above and programs reviewed by the OECD Local Economic and Employment Development (LEED) program¹⁸.

In moving forward, there are perhaps two major questions in terms of the Committee's Terms of Reference:

- Should local government be involved? Is this a proper role for local government? and
- What other assistance may be necessary?

Should local government be involved?

This question is a legitimate one, as these issues are outside the traditional ambit of local government. Should we perhaps “stick to the knitting”, and let other levels of government and/or the private sector get on with the tasks?

This was asked recently in a review of capacity building¹⁹

before local authorities can be called upon to assume an enabling role that . . . enables community development through the development of multi-organisational partnerships, attention needs to be given to whether they have the capacity to take on this more ambitious activist role. . .

The review answered firmly in the positive

“significant scope would seem to exist for [local government] to open up their political opportunity structure and establish relationships of trust with previously excluded groups and organizations in order to contribute positively to the formation of social capital within their communities.”

¹⁸ www.oecd.org/tds/leed and see Appendix Five

¹⁹ Joe Wallis and Brian Dollery “Social Capital and Local Government Capacity” *Australian Journal of Public Administration* Vol 61 No 3 September 2002, pp 76-84. The quotes are from page 83



This matches also with comments in our community consultation. One resident commented

“Council is in an ideal position to be able to coordinate these kind of activities. It has the sort of overview needed to bring a diverse range of groups together, and build the capacity of these groups to develop long term and sustainable partnerships”²⁰

And the consultation report concluded

Council was seen as a vital institution and one that is well positioned to create the necessary framework to generate and enhance individual and community pride. Council has a history of good leadership around consultation that should be developed and built upon. . . The business and retail sector want to be engaged in a dialogue with council around building greater capacity and pride in the area.²¹

In arguing this, Greater Dandenong is acutely aware that there needs to be careful evaluation of measures taken. The simple fact that local government *can* have a role does not mean that all action taken will be effective. There is an important stress on evaluation of programs in the work of the UK Audit Commission, the OECD LEED program, and, specifically in the economic development area, in a recent Industry Commission overview.²²

The need for other assistance

This submission has outlined a range of important initiatives which are already under way. The City of Greater Dandenong is pleased to be able to participate in these initiatives, and proud of the way that our communities are responding and taking opportunities to improve all our futures.

In this situation, Committee members may well think – well, things seem to be moving along already. Is there a need for additional assistance and/or resources?

Local government does have important resources and skills we can bring to the tasks. But we cannot do it alone – there are important roles for all spheres of government, for our communities and for business.

As noted above, there is a particular need in some parts of Australia that are not sharing fully in the nation’s impressive recent economic performance.

²⁰ Towards a Desirable Future report, p18

²¹ Towards a Desirable Future report, p19

²² eg Industry Commission Report No 55 *State, Territory and Local Government Assistance to Industry* (October 1996)



We note the proviso in the Inquiry's Terms of Reference "The inquiry is to be conducted on the basis that the outcomes will be budget neutral for the Commonwealth". In recent years, the Commonwealth has provided important funding for social and economic development initiatives in rural and regional Australia. Within these allocations and precedents, the Commonwealth can make an important contribution to disadvantaged parts of metropolitan areas. This contribution could be a major step in assisting communities build on the resources and skills we have to ensure a more successful future.

Indeed, it is recognised that economic and social development is outside the traditional role of local government. At the same time, there is a long standing tradition that such issues, especially for areas of regional disadvantage, are indeed the responsibility of the Commonwealth Government. We see the issues as critical to the future of our community, and the City of Greater Dandenong is happy and willing to play a part. In our view, if the Commonwealth leaves these issues to local government, abrogating its own responsibilities, this would be a fundamental cost shifting on a much greater scale than any other demonstrated thus far to this Inquiry.

The City of Greater Dandenong believes that this Committee's inquiry can play an important role in suggesting ways forward on critical issues for this nation's future.



Appendix 1: Inquiry Terms of Reference

<http://www.aph.gov.au/house/committee/efpa/localgovt/index.htm>

The Minister for Regional Services, Territories and Local Government has asked the Committee to inquire into:

Cost shifting onto local government by state governments and the financial position of local government. This will include an examination of:

1. Local government's current roles and responsibilities.
2. Current funding arrangements for local government, including allocation of funding from other levels of government and utilisation of alternative funding sources by local government.
3. The capacity of local government to meet existing obligations and to take on an enhanced role in developing opportunities at a regional level including opportunities for councils to work with other councils and pool funding to achieve regional outcomes.
4. Local government expenditure and the impact on local government's financial capacity as a result of changes in the powers, functions and responsibilities between state and local governments.
5. The scope for achieving a rationalisation of roles and responsibilities between the levels of government, better use of resources and better quality services to local communities.
6. The findings of the Commonwealth Grants Commission Review of the Local Government (Financial Assistance) Act 1995 of June 2001, taking into account the views of interested parties as sought by the Committee.

The inquiry is to be conducted on the basis that the outcomes will be budget neutral for the Commonwealth.



Appendix 2: Rating Criteria

In a report in early 2000, rating Agency Standard and Poors outlined the criteria it uses in rating regional and local governments

<http://www.standardandpoors.com/ResourceCenter/RatingsCriteria/NonUSPublicFinance/index.html>

Rating Regional and Local Governments

“The economic base, growth, and diversity of a region or locality are among the most critical determinants of a rating. Fiscal health is intimately linked to economic prosperity in almost all cases. Most revenue sources—from sales, property, and income taxes to various licenses and user fees—are affected by economic growth patterns.”

Topics studied:

Economy:

- Demographics,
- Economic Structure,
- Growth Prospects

System Structure And Management

- Intergovernmental Structure;
- Revenue And Expenditure Balance;
- Management Systems And Policy
- Fiscal Flexibility And Performance
Revenue Sources And Flexibility,
- Expenditure Trends And Flexibility,

Financial Position

- Liquidity;
- Debt Burden;
- Off-Balance-Sheet Liabilities



Appendix 3: UK Regeneration Policy

Extracts from the June 2002 Audit Commission report “Neighbourhood Renewal Policy Focus”

<http://www.audit-commission.gov.uk/subject.asp?catID=ENGLISH^LG^SUBJECT^LG-REGENERATION>

This paper is one of a series of Audit Commission products looking at neighbourhood renewal, especially as part of the UK Government’s New Commitment policy. It acknowledges the challenges facing organisations and communities trying to turn around deprived neighbourhoods. It highlights ways in which central government could more effectively support local activity and shares local strategic partnership members' views on their progress in responding to the challenge of linking neighbourhood renewal to mainstream service provision.

Perhaps the biggest threat to the short-term delivery of the *New Commitment* is the confusion over how it ‘fits’ with central government’s other priorities and with other local priorities. Many interviewees could make no link between national targets and service improvement plans and neighbourhood renewal.

These weaknesses will need to be addressed if the New Commitment is to make a difference to the operation of local services. We therefore recommend that:

- Employers, trade unions and professional associations work together to overcome the barriers to changing job descriptions, person specifications and work processes associated with neighbourhood renewal.
- Local service providers reward the positive responses from departments and individual members of staff to the neighbourhood renewal agenda.
- Local service providers discuss with staff the implications of the neighbourhood renewal agenda for working practices.
- Local service providers link service improvement and neighbourhood renewal, so that they are seen as complementary activities rather than competing demands on service providers’ time and resources.

Recommended use of performance indicators.



Appendix 4: Recent Victorian Government community building initiatives

1. Community Building

From: www.dpc.vic.gov.au

Building better, stronger communities is a key Victorian Government initiative aimed at improving social, economic and environmental well being, reducing inequities and the impact of rapid social change across Victoria.

Local communities are in the best position to identify the issues they want to address. Communities cannot and should not have to work alone. The Victorian Government will work in partnership with communities to assist them in tackling issues of concern.

The Victorian Government has already supported the development of community building approaches through capacity building in small rural communities, neighbourhood renewal on public housing estates and the establishment of local Learning and Employment Networks.

In October 2001 the Premier of Victoria launched the Community Building Initiative and announced ten area-based and one statewide indigenous community building demonstration projects.

The booklet, *Community Building - Communities Growing Together*, details the Victorian Government's approach to Community Building. It outlines what community building is and how it can help communities, the support available to local communities, and information on the demonstration projects.

The Government has announced an initial eleven demonstration projects, one of which is based in Greater Dandenong.

2. Neighbourhood Renewal

From: <http://www.neighbourhoodrenewal.vic.gov.au/> (via dhs website)

Neighbourhood Renewal is a place-based response to disadvantage that involves Government working in partnership with local communities to address relative disadvantage and inequality and create successful, thriving places where people want to live.



An initiative of the Department of Human Services, Neighbourhood Renewal represents an important component of the Victorian Governments' Community Building Program which commits \$7 million over three years to building healthy, sustainable communities in Victoria.

The purpose of Neighbourhood Renewal is to make a real and tangible difference to disadvantaged communities by:

- Addressing problems identified by the local community and by government
- Reducing the polarisation between communities
- Increasing community pride to create a place where people want to live
- Building local capacity, rather than just providing welfare, to ensure local communities are the key decision makers in determining their future
- Creating communities that are self reliant and able to direct services and priorities.

These objectives will only be achieved with the active involvement of local communities in identifying and developing solutions to local challenges. It will also depend on more effective partnerships across government and between the government and non-government sectors in a range of policy areas such as housing, education, employment, crime and safety and health.

3. Local Learning and Employment Networks

From: <http://www.llen.vic.gov.au/lLEN/>

The Local Learning and Employment Networks incorporate three key themes:

- community building
- innovation and
- development of infrastructure.

These three themes are inter-dependent and provide the foundation for community building through enhancing networks and partnerships. Taken together they indicate a significant shift of emphasis away from centralized decision making by government through institutions to one of empowerment by communities through local decision through partnerships.



Each Local Learning and Employment Network (LLEN) brings together local education providers, local employers, local councils and other interested people in their community to:

- identify gaps in the provision of education and training locally
- plan the development and delivery of educational programs for young people which will assist in meeting the targets for better completion rates and employment outcomes
- take a strategic approach to developing pathways for local young people, especially those at risk of dropping out
- monitor these pathways and outcomes to ensure they are beneficial to young people
- advise the new Victorian Learning and Employment Skills Commission (VLESC) on the needs of young people in their area.

LLENs are based largely on local government area boundaries.

While local education providers, employers, and local government are members of Local Learning and Employment Networks, membership is drawn from any individual or organisation with an interest in post compulsory education, training and employment within the area covered by that LLEN.



Appendix 5: OECD LEED program

www.oecd.org/tds/leed

The LEED (Local Economic and Employment Development) Programme identifies, analyses and disseminates innovative ideas relating to local development and the social economy. Based on the voluntary participation of countries, its programme is a reflection of its ability to attract funding, which is a constant challenge but at the same time provides a large measure of operational flexibility.

The Programme contributes territorial-based analysis of a range of economic and social themes relevant to local development.

Issues addressed include the decentralisation of employment policies; local partnerships and governance; entrepreneurship and job creation (including activities on women and youth entrepreneurship, self-employment, enterprise networks, industrial districts, etc.); social cohesion at a local level; globalisation and local authorities; evaluation and exchange of policy practice.

Social cohesion tackles the issue of persisting high levels of unemployment and exclusion, often concentrated in particular social groups and geographical areas. It emphasises OECD countries' experience in the local implementation of measures intended to integrate the socially excluded and it analyses the role of the non-profit sector in generating new economic activity.

- Corporate Social Responsibility (2001)
- Social Enterprises (1999)

Forthcoming:

- New Trends in the Non-profit Sector
- Culture and Local Development

Globalisation and local authorities examines the impact of increased international economic integration on local economies and weighs the most appropriate policy responses from local government authorities.

- Devolution and Globalisation: Implications for Local Decision Makers (2001)
- Best Practices in Local Development (2001)
- The Local Dimension of Welfare-to-Work (1999)

Evaluation and exchange is an across-the-board activity that stimulates and assists policy formulation and operational activities in Member countries by improving the evaluation methodology applied to local development and the social economy. In particular, it promotes the appraisal and exchange of information on innovative local programmes to boost economic, employment and social development.

Forthcoming:

- Evaluating Local Economic Development (2002)