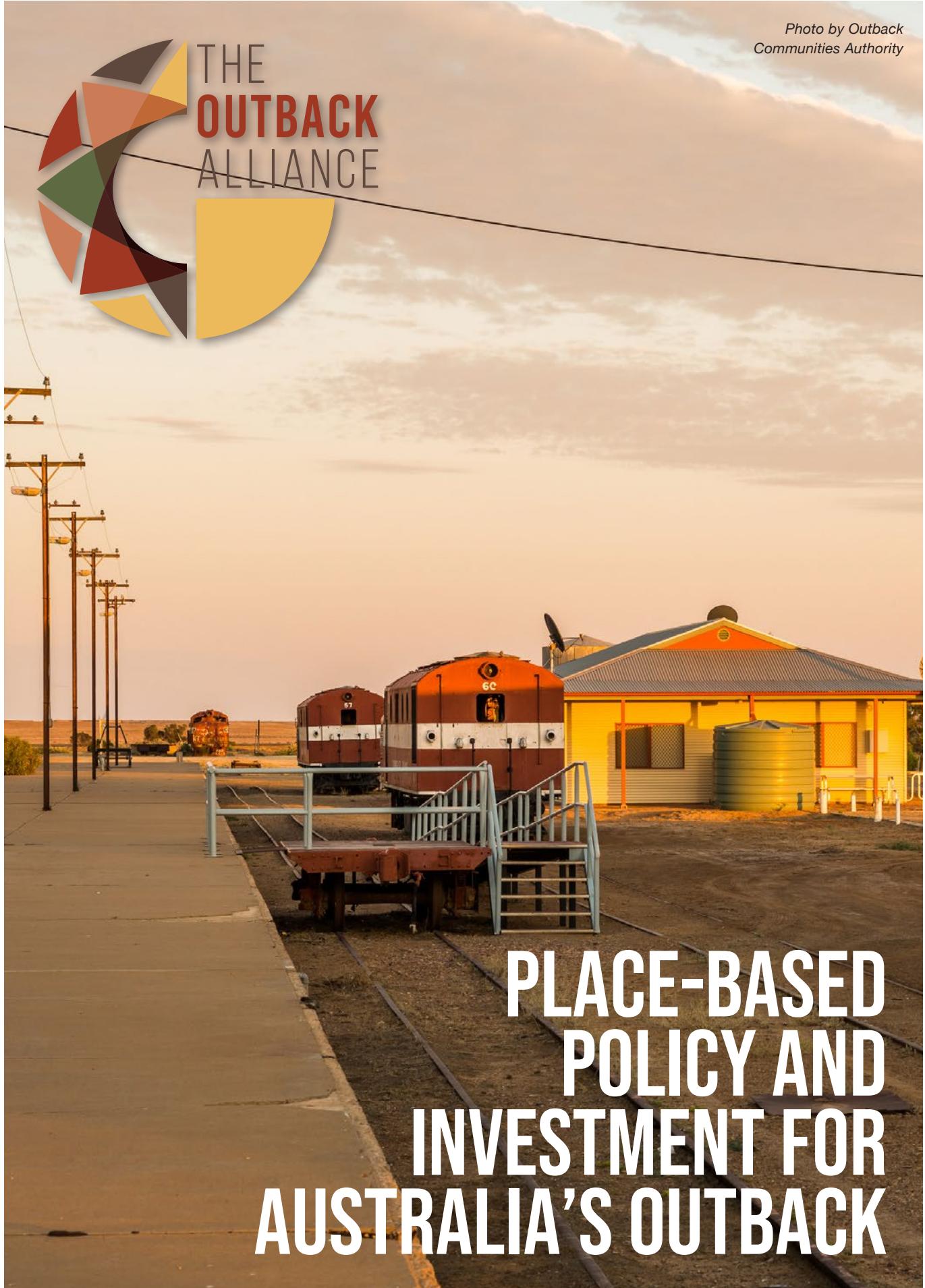


THE
OUTBACK
ALLIANCE



**PLACE-BASED
POLICY AND
INVESTMENT FOR
AUSTRALIA'S OUTBACK**

EXECUTIVE SUMMARY

Place-based concepts for developing policy and investing in places are being implemented or proposed across a range of sectors. However, very few of these initiatives (if any) are taking place in the remote Outback communities of Australia.

Place-based approaches are particularly important to Outback Australia because the social, economic, cultural, and environmental conditions faced by communities in the outback are different to those in the more-settled locations where policies are usually devised.

The Outback Alliance is proposing a pilot program to trial place-based investment in five Outback communities. A total of \$3.15 million is required to engage local facilitators who will have access to quick-response funds, for comprehensive research and feasibility work and for national program coordination.

We also seek commitment from agencies to align existing investments with outcomes identified as priorities by these communities.



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WHAT IS PLACE-BASED INVESTMENT?

The concept of place-based policy and investment in regional Australia has been explored by many organisations and governments over recent years. Place-based approaches target the specific circumstances of a place and actively engage local people in prioritising, planning, and implementing solutions.

Place-based approaches are particularly important to Outback Australia because the social, economic, cultural, and environmental conditions faced by communities in the outback are different to those in the more-settled locations where policies are usually devised. Compared to ‘one-size-fits-all’ approaches, place-based policy settings in Outback Australia will have disproportionate benefits. By allowing for investment that is informed and led by a robust community engagement process, place-based investment creates strong multipliers across sectors and improves the resilience of Outback people and places. This approach will lead to a clear focus for government and non-government investment, reducing the need for Australian Government interventions at ground level.

The Outback Alliance supports rapid integrated investment in place-based development precincts beyond regional cities. However, we urge proponents and investors exploring place-based models to ensure a diversity of conceptualisations and criteria for selecting these precincts, so that more remote Outback locations are not disadvantaged. We are confident such a focus will result in a higher return on investment for both investors and recipients than current models which see funds allocated to silos.

CURRENT SITUATION

Many policies developed for Australia’s more populated centres are not fit-for-purpose for the Outback. There are repeated well-documented examples of this. Most place-based programs to date have focussed on regional towns or centres, but the dispersed communities of the Outback differ from these as much as they do from our capital cities.

Outback regions contain just 2% of our population yet make up 80% of Australia’s landmass; 28% of the population being Indigenous. These regions are populated by Australia’s most entrepreneurial and productive people: in the Outback there is one business per 14 people, compared to the national average of one per 32 people. And Outback residents contribute 1.5 times the national average per capita to our GDP.

These regions also generate \$8bn in livestock and tourism industries, and \$172 billion from mining and gas; they contain huge national environmental assets as well as solar energy potential. These are the source of substantial value creation, but when poorly managed also have significant impacts on the rest of the nation – physically (eg. dust storms), economically (eg. biosecurity), and socially (eg. Closing the Gap).





CURRENT POLICY CHALLENGES

Current policy and investment models are not achieving what is needed by governments or the recipient communities. Gaps in health, environment, social and economic metrics between urban, regional, and remote communities are continuing to widen. This is likely to result in less resilient and responsive communities, that come to require even more public investment to maintain the goods and services that the Outback provides to the nation.

Policies, including governance and procurement as well as an increase in the use of external contractors to meet government targets, are not working to build the resilience of regional communities. Nor are they taking advantage of past investments into rural leadership, establishment of community linkages and pathways or governance programs.

The drivers of this are:

- Lack of involvement of regional and Outback communities in assessment of issues and delivery mechanisms. Where community is engaged in developing such plans, local priorities are often overruled or ignored by government investment priorities and mechanisms.

- Services are increasingly being delivered from outside of local communities. Large government contracts are awarded to service providers outside the communities who often deliver poorly-tailored programs that are ungrounded in local knowledge. Even where these programs are successful in the short term, they are not building local skills to replicate efforts into the future.
- This leads to a lack of resilience-building in communities and therefore an increase in costs associated with response and recovery. Rather than supporting communities to apply leadership skills – often developed through previous investment by governments and industry – sometimes these processes undermine that leadership.
- Retrofitting activities to meet the needs of communities is time-consuming and expensive, and ultimately is an inefficient (and soul-destroying) use of public resources.



PLACE-BASED PRINCIPLES

Good policy should encourage investment that is place-based, community-led and locally-delivered. Policy settings that encourage this type of community resilience and independence see a decrease in response and recovery government services. **The following principles should be applied to any place-based investment:**

- **Local assessment:** allow local communities to lead and prioritise actions required to deal with local issues. Once this is done, invest in those priorities and in the ongoing local involvement in delivery.
- **Local service provision:** focus on using local networks to coordinate and deliver the projects. Where local delivery is not possible, engage only with contractors who prioritise building that local capacity. This future-proofs communities by allowing them to develop diverse delivery capabilities, diversity local economies and reduce the need to import expertise.
- **Build resilience:** Encourage communities to access priority skills and funding. By funding pools across sectors local coordination is encouraged and economies of scope will be achieved. This will reduce the costs of government response and recovery programs.
- **Develop local leadership:** broaden the pool of Outback people participating in leadership courses. Capitalise on and provide experiences to these local leaders so they continue to grow their networks and capacity.

ALIGNMENT WITH OTHER PROGRAMS AND PROPOSALS

The Outback Alliance is aware that several organisations are implementing or proposing place-based investment models in individual sectors. These include the Foundation for Rural Regional Renewal, National Farmers Federation, Regional Australia Institute, Australian Institute for Disaster Resilience and Rural Health Alliance. The Outback Alliance is in contact with these organisations and there is work underway to reduce duplication of effort and ensure consistency in approach.

These approaches are supported by a range of Government policies including those championed by the Minister for Regionalisation, Senator the Honourable Bridget McKenzie and the Department of Social Services, Stronger Places, Stronger People program.

The Outback Alliance is advocating for cross-sector investment that actively engages communities in identifying priorities for investment, delivery mechanisms and measures of success.

The Outback Alliance endorses the intent of proposals to overcome policy paralysis on development outside urban areas. We agree that focused investment in a variety of pilot regions should kickstart this process.

While we support the thrust of the regionalisation and place-based investment proposals from other organisations, and we recognise that many place-based precincts can be selected on simple economic and demographic criteria, we strongly argue that:

- I. Economic criteria alone will not reflect the wider impacts generated from investing in remote communities. We need to understand and use other values in those assessments because of their potential to drive economic outcomes. Criteria for selection of geographical locations for investment in places should collectively reflect the complexity and diversity of remote Australia.
- II. Many precincts seem to be conceived as town-based investments or aligned with local government boundaries. This is not a meaningful model for much of remote Australia. When conceptualising what a precinct looks like, we should explore the differences in what place-based approaches require in regional, rural, and remote contexts – and avoid the risk that all are treated the same. Otherwise, funding criteria will inadvertently lock some regions out. Prioritisation should also consider what social and community infrastructure is in place.

- III. If selection criteria for precincts are too restrictive, the concept may be piloted with only one type of community across the whole of Australia. This would mean the pilot will not cover precincts that resemble many remote communities across Australia.
- IV. Place-based models of investment already exist but usually occur in silos. One example is regional NRM planning – where communities across a catchment or bioregion come together to plan for and prioritise managing its natural resources, seeking funding, and implementing on-ground actions accordingly.
- V. Communities must drive the priorities, have leadership roles, and be involved in delivery. The use of local or regional providers must be prioritised. Where this is not possible, external providers must be required to build capacity of local communities while undertaking the work.
- VI. Program evaluation should be based on whether an investment delivers outcomes prioritised by communities. Communities must be engaged in determining measures of success.



Photo by Andrew Burrow



OUR PROPOSAL

The Outback Alliance is recommending a two-year pilot program (with three-year delivery investment) that will enable the trial of place-based investments in five Outback communities. This trial will gather critical data about how remote communities are best engaged in determining priorities for investment, delivery and measuring impact.

PLACE AND PEOPLE:

The communities of the Outback are small and offer excellent testing grounds to trial this style of investment.

FEEDBACK AND LEARNING FOCUS:

A strong monitoring, evaluation and learning program, with measures of success determined by communities themselves will allow for feedback and innovation. This ensures that investment evolves to meet changing needs of communities, and that learnings about successful approaches are documented and shared.

COORDINATION:

Management for each regional investment will require dedicated funding for coordination, facilitation and evaluation and strategic communication of outcomes. The overall program will require oversight and coordination to gather information from the trials to develop a best practice framework.

WHAT IS NEEDED?

1. SCOPING STUDY – DEVELOPMENT OF BEST PRACTICE FRAMEWORK

Funding is required to set up and deliver a scoping study for trials that test the feasibility of place-based approaches in dispersed communities. This will oversee development and deliver:

- An analysis and review of other place-based models in Australia, what has and hasn't worked and how to apply learnings in Outback areas
- Testing specific criteria for the selection of Outback communities – understanding the difference between Outback and regional areas and determining the ingredients for successful application of place-based policy and investment in Outback areas
- The minimum place-based investment required to make it worthwhile for communities and service providers.
- Examine and develop measures of success that aren't restricted to economic metrics
- An understanding of the capacity requirements (including social infrastructure) of a community to manage place-based investment
- Examine what administration, facilitation and governance support communities need to be able to make place-based investments work

2. IN SITU-TRIALS – FIVE LOCAL PILOTS

- Pilots are necessary because existing approaches have been applied in regional areas with higher population centres and approaches need to be designed for the remote, dispersed communities found in the Outback.
- The application current place-based models directly to the dispersed communities of the Outback is yet to be tested. Therefore, investment in trialling these approaches and seeing what ingredients work for these communities is critical to successful future delivery.
- A range of community across locations and jurisdictions will be selected.

4. INVESTMENT IN NATIONAL COORDINATION

- This is essential for program development and documentation, managing partnerships, ensuring strategic communication, documenting outcomes, successes and challenges, and ensuring good monitoring and evaluation processes are in place.

3. INVESTMENT IN LOCAL COORDINATORS

- We know that local coordination will be essential to trialling this concept.
- Coordinators will be employed in pilot communities with operating funds as well as quick response funds to rapidly engage many people in identifying priorities and implementing solutions.
- To make this worthwhile it is essential that participating communities have commitment of investment in their local plans and priorities.

5. COMMITMENT FOR FUNDING

- Years 3 – 5 of this program should include a commitment to these pilot communities beyond the pilot phase.
- This is necessary to justify the time and effort of communities to participate in this pilot program.
- This could be a pool, or other funding option, for Outback place-based, locally-lead projects identified through the pilot. This would also allow communities to confidently leverage funding from other sources.
- It is recommended that on delivery of a cross-sector local investment plan, developed through the pilot, that significant regional funding is deployed across all sectors. Ideally this would entail a commitment to pool Australian Government resources across multiple sectors or these regions, alongside additional funding for continued coordination (at least 15%).

In the long term, support for locally driven Outback programs should be integrated across sectors/portfolios through a dedicated place-based fund.

ESTABLISH AN OUTBACK REGIONAL ADVANCEMENT FUND

The Outback Alliance proposes the development of an Outback Regional Advancement Fund that combines regional development, local, state and Australian Government support. Such a fund would offer a mechanism to coordinate all the current fragmented funding into Outback areas driven with investment reflecting locally developed place-based investment plans. These plans would be the equivalent of NRM regional plans (or regional health plans or regional development plans) but for all sectors. The investment in ongoing planning processes, local coordination, communication, and commitment to fund the delivery of local priorities must be inbuilt. The proposed pilot program here would provide the basis to design such a Fund in the future.

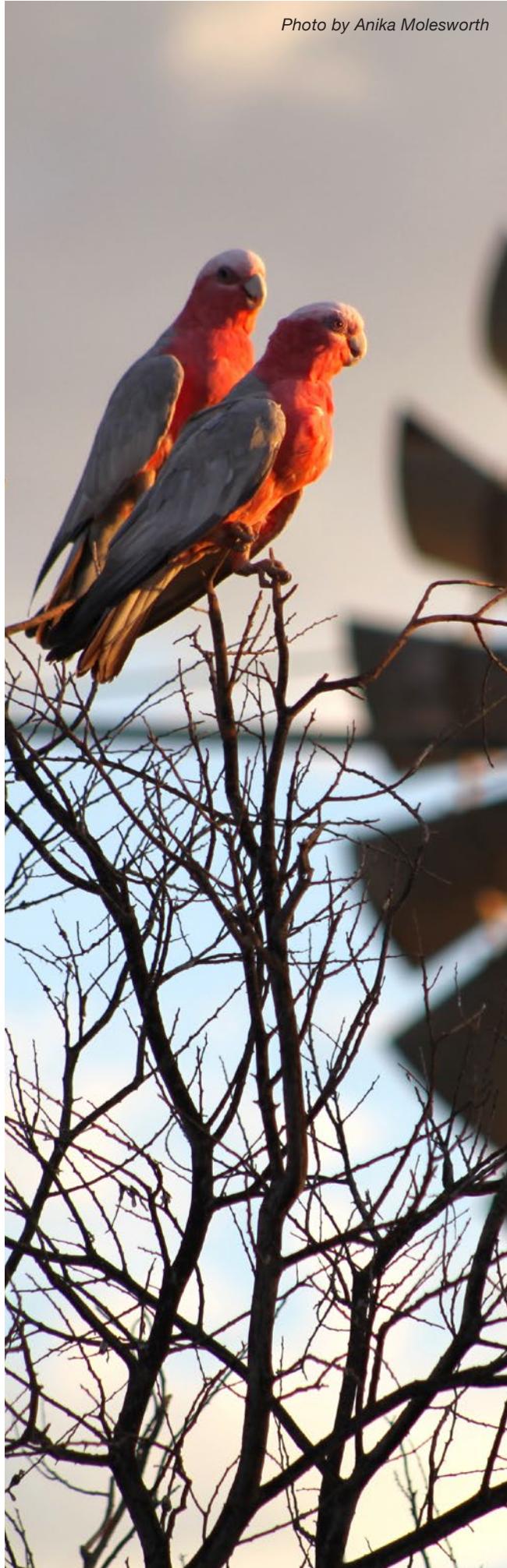
WHO SHOULD BE INVOLVED?

The Outback Alliance is well placed to engage other partners and collectively coordinate the delivery of this pilot. Together we will develop criteria, select locations, and communicate about both the pilot and its outcomes across our network and more broadly. It is critical that any place-based program proactively engage local communities and those people and organisations will be engaged in all aspects of the pilot.

The Outback Alliance has established networks with a range of organisations which work across the Outback including its members: Rangeland NRM Alliance, Rural Flying Doctors Service, NintiOne, Desert Knowledge Australia and Pew Charitable Trusts, each with their own wide networks.

Those networks include agricultural industry representative organisations such as National Farmers Federation, Northern Territory Cattlemen's Association, Kimberley Pilbara Cattlemen's Association), Indigenous Desert Alliance, Foundation for Regional and Rural Renewal, National Rural Women's Network, Isolated Parent and Children's Association, Country Women's Association, Arid Lands Environment Centre, and others.

Photo by Anika Molesworth





HOW MUCH WILL IT COST?

A total of **\$3.15 million** is requested for a three-year pilot program with two years of place-based Outback facilitation and delivery. This comprises:

\$2.5 MILLION

Local facilitation and quick-response funds (\$250,000 is the minimum required annually per community, over two years). This covers employment of a part-time local facilitator, modest operating costs, and a small fund for quick-response projects

\$450,000

National program coordination across three years of the program. This covers support to local facilitators, communicating with program partners, documenting successes and challenges, identifying trends, communicating outcomes and central reporting to funders

\$200,000

Research and feasibility work prior to launch. This includes desk-top and face-to-face research around other models and lessons to be learned for Outback communities, developing monitoring and evaluation frameworks, best practice guides for place-based investment in remote communities.

Following the pilot program, a minimum fund of \$700,000 per community (over three years) should be established. This will cost an additional \$3.5 million over three years.

We also seek commitment from agencies to align existing investments with outcomes identified as priorities by these communities.

Photo by Leonie Winks

EXPECTED OUTCOMES

A monitoring and evaluation program will be documented as part of the research and feasibility phase of project development. These are the outcomes we expect across program delivery, government, and community:

PROGRAM DELIVERY:

- Documenting other place-based programs in Australia and potential lessons to be learned for Outback delivery
- Development of a framework for best practice in place-based investment for Outback and other dispersed communities
- Development of selection criteria for selecting Outback and other dispersed communities in future place-based investment programs
- Develop, with pro-active and thorough local engagement, a local investment plan for each of the five locations selected
- Strong partnerships between Outback-focussed organisations to avoid siloed duplication

GOVERNMENT

- Investment plans in place for five pilot locations to drive locally-prioritised investment
- Improved of government services provided in selected locations
- Increased understanding of local skills, resources and resilience and a pathway to utilise more local delivery of government services
- Strong partnerships between Outback-focussed organisations to avoid siloed duplication and better leverage on existing government investment in Outback Australia
- Reduced demand on public funding, per capita

COMMUNITIES:

- Improved ability to communicate and direct government investment in each of the five pilot locations
- Improved ability to access funding for local priorities
- Strong understanding of local skills, resources, and resilience in each location
- Over the long term, reduced time to recover from disruption, increased social satisfaction in the region, and increased regional economic return on public investment

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1. Joining the Dots: Policy Pathways Fit for the Outback, published by Ninti One Limited on behalf of The Outback Alliance, https://outbackalliance.org.au/wp-content/uploads/2018/12/Joining-the-Dots_Policy-Pathways-Fit-for-the-Outback.pdf
 2. <https://www.dss.gov.au/families-and-children-programs-services/stronger-places-stronger-people>



ABOUT THE OUTBACK ALLIANCE

The Outback Alliance is a cross-sectoral group of non-government organisations and individuals who have a shared vision for the development, welfare and protection of Outback Australia's people and places. Effective delivery in remote regions requires approaches that differ from the mainstream. Integration and diversification are key to solving the problems of the Outback. But this is only possible by joining the dots between sectors and places.

