**Submission No 13**

# GOVERNMENT SERVICE DELIVERY STANDARDS IN REGIONAL NSW

**Organisation:** Regional Development Australia Southern NSW & ACT

**Date Received:** 15 February 2026

An Australian Government Initiative

Regional Development Australia

NSW & ACT

Mr Roy Butler MP
Chair
Legislative Assembly
Committee on Investment, Industry and Regional Development
NSW Parliament House
6 Macquarie St
SYDNEY NSW 2000

15 February 2026

**Re: RDA NSW & ACT Committee submission to the Inquiry into Government service delivery standards in regional NSW**

Dear Mr Butler,

Thank you for this opportunity to provide a submission to this Inquiry. RDA NSW & ACT is a trusted, state-wide network of 13 regionally based organisations that bring deep local knowledge, strong cross-sector relationships, and a clear mandate to drive economic growth, innovation, and community prosperity. As part of a nationally funded Commonwealth initiative, RDAs play a pivotal role in identifying regional needs, strengthening investment in people, infrastructure, essential services, and local economies, and ensuring the effective, place-based delivery of Australian Government priorities.

Service delivery disparities between regional and metropolitan areas are a persistent challenge in New South Wales (NSW), shaping the lived experience and wellbeing of millions of residents. While the Sydney metropolitan area benefits from concentrated infrastructure, workforce, and investment, regional NSW, encompassing diverse geographies, faces unique and often amplified barriers to equitable access. These gaps manifest across critical domains such as health access, transport connectivity, housing affordability and supply, workforce readiness, and the impact of aged care capacity on NSW funded services.

**Submission to the Inquiry into Government Service Delivery Standards in Regional NSW**

**1. Current performance measurement and accountability mechanisms**

Government agencies in NSW use a range of performance frameworks, including the NSW Budget Outcome Reporting, Premier's Priorities, NSW Health Quarterly Performance Reports, and Transport

for NSW Reliability Dashboards. While these frameworks provide transparency, they do not consistently measure or report regional equity.

**Key Issues Identified**

- Insufficient regional disaggregation**:** The NSW Auditor-General's Reports on Regional Service Delivery found fewer than 40% of agency indicators were reported at a regional or LGA level.
- Fragmented reporting: Agencies use inconsistent geographic boundaries, limiting cross-sector analysis.
- Equity not systematically measured: Most indicators focus on volume and timeliness rather than access, appropriateness, or fairness.
- Limited community-level accountability: NGOs lack access to government-held performance data.

**2. Performance measurement and accountability for outsourced services**

Outsourced services, delivered by NGOs, private providers, and councils, are governed through funding agreements, KPIs, audits, and quality frameworks. However, recent reviews highlight significant gaps.

**Key Issues Identified**

- Inconsistent KPI quality: The 2024 NSW Productivity and Equality Commission Review for Housing found 60% of outsourced contracts relied on output-based rather than outcome-based KPIs.
- Limited transparency: Community housing providers reported inconsistent maintenance and tenant satisfaction data (NSW Auditor-General, 2024).
- Thin markets reduce accountability**:** In remote regions, limited provider choice weakens government leverage.

**3. Differences in service delivery standards between metropolitan and regional NSW**

Significant disparities persist across essential service domains.

**Health**

- GP-to-population ratios in MMM 5–7 regions remain less than half those in Sydney and as low as 1 GP per 1,400–1,500 residents. Large regional cities like Wagga Wagga, a MM3 region, have ~95–105 full-time equivalent (FTE) GPs per 100,000 population. This is still below major cities and below the NSW average.
- Major maternity services across the Murrumbidgee region, including Wagga Wagga Base Hospital (Level 5) and Griffith (Level 4), are experiencing sustained midwifery shortages, high workload pressure, and reliance on temporary staff, with Wagga carrying 66 FTE nursing and midwifery vacancies and absorbing increased demand as smaller services withdraw, while Griffith and other sites in other regions such as Cooma and Cowra continue to face service suspensions due to workforce gaps.
- In the Mid North Coast Health workforce data indicates growing pressure on service delivery capacity, with registered nursing employment declining 6.5% (176 positions) over five months while 191 positions remained advertised, a divergence suggesting systemic workforce

planning challenges rather than temporary market adjustments. Health diagnostic and therapy professionals show 21-30% growth in advertised vacancies over three months across Coffs Harbour- Grafton regions, indicating current workforce development efforts are insufficient to meet demand.

- Significant disparities exist in radiation therapy (RT) access and wait times between metropolitan and rural/regional NSW, with cancer outcomes generally worsening as distance from major cities increases. Despite improvements in regional, technology, rural residents face lower rates of treatment utilization and longer delays due to geographical, financial, and logistical barriers. Key findings from the Cancer Institute NSW and related reports include:
    - Disparities in Access and Treatment Rates
    - Lower Utilization: Research indicates that the further a patient lives from a radiotherapy facility, the less likely they are to receive treatment. Patients 400km or more from a centre are significantly less likely to receive necessary RT compared to those within 50km.
    - Poorer Outcomes: Residents in rural and remote NSW are up to 35% more likely to die of their cancer within 5 years of diagnosis compared to city dwellers.
    - Delayed Diagnosis and Treatment: Rural patients face increased risks due to delayed diagnosis and longer, more complex, and expensive travel, often leading to them skipping or declining treatment.
    - Contributing Factors and Systemic Issues:
        - Limited Availability: Radiation therapy is still heavily concentrated in metropolitan areas, requiring, in some cases, weeks or months of travel and separation from family/work for rural patients.
        - Financial Barrier: 1 in 5 people in regional/rural NSW skip appointments due to the high cost of travel.
        - Staffing Shortages: Shortages of specialist staff (radiation oncologists, therapists, and physicists) in regional areas are a recognized contributor to treatment gaps.
        - Most clinical trials are conducted by metropolitan clinical trials unit (CTUs) where there is access to a high volume of patients. People from rural areas may need to travel long distances to access clinical trials, making their ability to participate more challenging.
- Telehealth uptake is constrained by digital connectivity gaps in the Northern Tablelands and Far West.
- The Isolated Patients Travel and Accommodation Assistance Scheme (IPTAAS) does not compensate for health travel of far north and southern NSW resident's return trip who travel interstate to their closest major hospital/ medical facility for treatment.

**Transport**

- The South Coast Line faces capacity constraints, slower journey times, and limited passing loops, impacting workforce mobility and equitable access to education and employment.
- Road closure messaging during an emergency such as fire or flood for border towns need to align across states, that is, the same app is required. E.g. recent fires in Victoria resulted in roads being closed in Victoria that would have impacted the evacuation of NSW border residents if the fire moved further North.

- Air services have declined sharply, most notably with the suspension of Qantas' direct Wagga Wagga–Melbourne and Albury- Melbourne services from March 2026. The loss of this service removes a critical interstate link, forcing travellers to use indirect flights or long road journeys. This results in longer travel times and higher costs for passengers and freight. Impacts are disproportionate for time-sensitive needs, including business travel and access to specialist healthcare.
- Rail is not a viable alternative to air travel in the Riverina, with NSW TrainLink services remaining infrequent, slow and unreliable, while inland centres such as Deniliquin, Moree and Inverell still lack direct rail access to Sydney, compounding connectivity challenges for regional communities and limiting workforce attraction.
- There is a clear need for coordinated action on Aviation policy, Airport capability, Faster, more reliable intercity rail as essential to support regional access, workforce mobility, and long-term economic resilience.

**Housing**

- Vacancy rates below 1% in Maitland**,** Cessnock**,** Dubbo, Bega Valley and Wagga Wagga (with all other Riverina towns under 0.5% vacancy rate including the large regional centre of Griffith).
- Across NSW, a number of regional town centres are now experiencing social housing wait times exceeding five years, including high-pressure locations such as Wagga Wagga, Griffith, Wellington and Kempsey, alongside similarly constrained centres in the Mid North Coast (e.g., Coffs Harbour, Port Macquarie), Northern NSW (e.g., Lismore, Ballina), New England/North West (e.g., Tamworth, Armidale), and parts of the Central West and South Coast (e.g., Bathurst, Dubbo, Nowra). These areas face the longest waits because they share the same structural pressures: extremely limited new supply, minimal vacancy churn, strong demand for crisis and transitional housing, and tight private rental markets that compound multi-year delays.
- Many Councils are in "infrastructure lock" where the inadequate state of core infrastructure (water/sewer) is resulting in Councils being unable to allow new housing developments to proceed. This impacts the housing sector, the economic viability of the construction sector and leaves communities struggling to meet unmet demand for growth.

**Homelessness**

Homelessness is worsening across regional NSW, with rising rough sleeping and growing rental stress in many coastal and inland centres (Homelessness NSW 2025; NSW Government 2024). While overall homelessness in NSW fell slightly between the 2016 and 2021 Census counts, regional NSW recorded increases, and recent Street Count data show the sharpest growth in rough sleeping now occurring in places such as Byron, Tweed, Coffs Harbour, Shoalhaven and the Hunter rather than metropolitan Sydney (Homelessness NSW 2021, 2025).

These pressures are being intensified by tourism-driven rental conversions, population inflows, low incomes and a persistent lack of social and affordable housing, pushing more people into crisis and leaving local services struggling to respond (Healthy North Coast 2024; NSW Government 2024).

Across the North Coast, homelessness is rising from Tweed through Byron, Lismore, Coffs Harbour and Port Macquarie, driven by severe rental unaffordability, flood impacts and limited exit pathways from crisis accommodation (Healthy North Coast 2024; Homelessness NSW 2025).

In Coffs Harbour, rough sleeping increased from 51 in 2020 to 147 in 2024, mirroring similar upward trends in LGAs such as Byron and Tweed, underscoring that Coffs is part of a wider regional homelessness crisis rather than an outlier (News Of The Area 2024; NSW Government 2024).The 2024 NSW Street Count identified 2,037 people sleeping rough across NSW (up from 1,623 in 2023), with the largest proportional increases in regional LGAs including Byron, Tweed, Coffs Harbour and Shoalhaven (NSW Government 2024; Homelessness NSW 2025).

This pattern indicates a systemic regional homelessness crisis across NSW, with Coffs Harbour's experience mirroring pressures faced in other regional centres rather than standing alone (Homelessness NSW 2025; NSW Government 2024).

**Workforce Availability and Readiness**

- NSW regional labour markets are under sustained pressure, with the Riverina, Southern NSW, Murray, Illawarra, the Hunter, Mid North Coast, Northern NSW, New England/North West and the Far West all experiencing parallel cross-sector shortages, most acutely in health and care, construction and trades, agriculture and food manufacturing, and hospitality, constraining service delivery, slowing project pipelines and limiting regional growth.
- For example, a recent analysis of the Mid North Coast reveals concentrated workforce challenges in essential services despite a modest 1.3% overall vacancy rate across the Mid North Coast and Coffs Harbour-Grafton regions (161,587 employed workers, January 2026). Seven occupation groups show vacancy rates 3 to 18 times the regional average, with particular workforce development needs in administrative support (14.6-24.7% vacancy rates), health professions (4.9-11.7% vacancy rates with growing advertised vacancies), and legal/social services. Geographic variation is notable, with Mid North Coast showing more acute health workforce challenges while Coffs Harbour-Grafton faces severe administrative capacity constraints. This pattern indicates localised workforce development strategies may be more effective than uniform regional approaches.
- Business NSW's Workforce Skills Survey shows that up to 88% of Riverina Murray employers report difficulty recruiting suitable staff, consistent with statewide findings showing that 77% of NSW employers are unable to recruit the people they need, with regional employers reporting the most acute shortages.
- Rural and Regional settings across NSW are disproportionately impacted by elements of modern slavery, which is a having multifaceted impacts on many elements of society. To Illustrate, the Riverina, Coffs Harbour and Nambucca have a high prevalence of modern slavery and migrant labour exploitation. There are impacts felt in community servicing even with respect to the well managed and regulated programs, such as the PALM program. Limitations on international health insurance, variation on care, housing, access to effective management of poor working conditions is having an impact on both non-profit care and state service delivery in health and community services.

- For regional service standards for workforce availability and readiness to be achievable, support is needed for:

- regional workforce planning responsive to geographic variation.
- targeted retention initiatives in professions showing divergent labour market signals (employment declining while vacancies grow), indicating current recruitment-focused approaches may be addressing symptoms rather than underlying workforce sustainability challenges (JSA; IVI, January 2026).
- Attraction and retention programs for health workforce, particularly diagnostic and therapy professionals, where development interventions are not keeping pace with demand (Jobs and Skills Australia NERO modelled employment estimates; Internet Vacancy Index).
- Career pathways and training for administrative support roles.

**Aged Care (***Although not a direct responsibility of the NSW Government, this has a direct impact on service provision***)**

- Regional facilities more likely to receive 1–2-star ratings for staffing and clinical.
- Although Home Care Packages are allocated nationally, activation depends on local provider capacity, and extended delays are now occurring not only in more remote areas such as Narrabri, Walcha and Gunnedah, with very small provider markets and fragile workforces, but also in inland regional centres like the Riverina, where similar constraints are emerging; these delays create additional pressure on NSW services, particularly the health system.
- There is a severe mismatch between the current and growing need and the capacity of our local aged care systems in rural settings across the Mid and North Coast of NSW, Greater New England, Central Coast, Illawarra, Southern NSW. Consequently, patients are frequently forced to remain in acute care settings, which are not suitable for long term care, which places additional strain on person and system, both with increased risks for Hospital acquired Complications, and the additional strain on delaying access to care for other patients. For example:
    - The Illawarra experiences the worst aged-care bed block in Australia, with 100-150 acute beds occupied daily by people medically fit for discharge. Peak delays reached 147 patients per day.
    - In the Northern NSW LHD 102 aged patients (over 65) equating to 14% of ED accessible Bed Base.
    - In the Mid North Coast LHD 69 aged patients (over 65) equating to 17% accessible Bed Base in acute hospital beds while awaiting permanent placement into residential aged care.

**Philanthropy becoming increasingly relied upon**

Australian governments are expanding structured giving and positioning philanthropy as a core partner in health and social policy, including via national targets to grow giving and matched programs such as PLACE (Partnerships for Local Action and Community Empowerment) (DSS 2025; Philanthropy Australia 2023a; Philanthropy Australia 2024). Peak bodies argue that while philanthropy can support innovation, it must not be treated as a substitute for adequate public funding of essential services (ACOSS 2023; SACOSS 2023). This trajectory is risky for regional NSW,

where governments already depend on charities and local groups to help manage service gaps but where philanthropic infrastructure and capacity lag metropolitan areas (NSW Health 2023; ACNC 2023).

PLACE reflects this shift, with the Commonwealth matching $19.31 million in philanthropic contributions over five years for community-led, place-based initiatives, effectively embedding philanthropic co-funding in the service system (DSS 2025; Treasury 2024). NSW Health also notes that regional, rural and remote communities already face poorer health outcomes and limited access to services, with charities helping to fill these gaps (NSW Health 2023).

Yet around 70% of charities are based in major cities, only a quarter operate in regional areas, and most intergenerational wealth, the main driver of large-scale giving, is concentrated in metropolitan Australia (ACNC 2023; ACNC 2024; Philanthropy Australia 2023a; Philanthropy Australia 2024). Programs that assume ongoing philanthropic co-funding therefore disadvantage regional NSW communities with higher needs but far lower access to philanthropic capital (NSW Health 2023; ACNC 2023; Philanthropy Australia 2023a).

**Key points**

- Policy aims to rapidly grow structured giving and casts philanthropy as a critical partner in tackling social challenges, including via PLACE (DSS 2025; Philanthropy Australia 2023a; Philanthropy Australia 2024).
- ACOSS and SACOSS stress that philanthropy should not replace or be a substitute for government funding of essential services (ACOSS 2023; SACOSS 2023).
- NSW Health confirms charities already help address service gaps in regional NSW communities with poorer health outcomes (NSW Health 2023).
- About 70% of charities and most intergenerational wealth are concentrated in metropolitan areas, leaving regional communities with thinner philanthropic capacity (ACNC 2023; ACNC 2024; Philanthropy Australia 2023a; Philanthropy Australia 2024).

Reliance on philanthropic co-funding therefore risks deepening inequities for regional NSW, which faces higher service needs but lower access to philanthropic investment (NSW Health 2023; ACNC 2023; Philanthropy Australia 2023a).

## 4. Options to improve monitoring, evaluation and reporting (MER)

### 4.1 Establish a Regional Service Equity Dashboard

A whole-of-government dashboard would provide transparent, region-level reporting across health, transport, housing, education, justice, and community services. This aligns with the 2025 Productivity Commission's call for place-based performance reporting.

### 4.2 Strengthen commissioning frameworks

- Standardised outcome-based KPIs
- Public reporting of provider performance
- Stronger monitoring in thin markets
- Co-designed KPIs with regional communities

### 4.3 Adopt Indigenous-led evaluation models

The 2024 Productivity Commission Review of Closing the Gap Implementation emphasised community-controlled evaluation and culturally grounded indicators.

### 4.4 Expand participatory monitoring

- Hunter New England Community Health Partnership (2024) piloted community-led service mapping.
- The 'Your Voice, Our Future' consultation, the NSW Government engaged with over 4,500 young people to be actively involved in shaping the decisions that affect their lives.

### 4.5 Introduce a Regional Service Guarantee

Drawing on the concept of a regional service standard, this approach would establish minimum expectations for travel time, digital access, access to education and staffing levels.

### 4.6 Improve data sharing

Reflecting broader government data-reform priorities, this approach would establish shared platforms, standardised reporting templates and real-time dashboards to improve consistency and transparency across agencies.

## 5. Legislative reform options

### 5.1 Regional Service Delivery Act

A new Act could mandate:

- Regional equity reporting
- Minimum service standards
- Public performance dashboards
- An independent Regional Service Commissioner

### 5.2 Strengthen oversight of outsourced services

Legislation could require:

- Public reporting of provider performance
- Standardised outcome-based KPIs
- Stronger compliance powers

### 5.3 Embed equity and accessibility principles

In line with broader social justice reform efforts, legislation could enshrine principles of equity, cultural safety, accessibility and place-based decision-making.

**Final Comment**

In summary the RDA NSW & ACT network welcomes the opportunity to engage in further discussions regarding service delivery standards in regional NSW, underscoring its commitment to advancing equitable and effective regional outcomes.

Thank you for your consideration of the NSW Regions.

Yours sincerely

[redacted]

Anna Guillan AM
Chair
RDA NSW & ACT Committee
Chair
RDA Sydney



[redacted]

**References**


NSW Auditor-General, Regional Service Delivery Reports https://www.audit.nsw.gov.au/our-work/reports

NSW Productivity and Equality Commission Review of housing supply challenges and policy options for New South Wales

ACNC (Australian Charities and Not-for-profits Commission) 2023, *Australian Charities Report – 10th edition*, ACNC, Canberra. Australian Charities Report - 10th edition - NFPAS

ACNC (Australian Charities and Not-for-profits Commission) 2024, *Australian Charities Report – 11th edition*, ACNC, Canberra. Australian Charities Report - 11th edition | ACNC

ACOSS (Australian Council of Social Service) 2023, *Review of philanthropy – Submission to the Productivity Commission*, ACOSS, Sydney. https://www.acoss.org.au/wp-content/uploads/2023/07/Philanthropy-submission-to-PC-final-June-2023.pdf

Australian Institute of Health and Welfare (AIHW) 2020, *Radiotherapy in Australia 2018–19*, AIHW, Canberra, Radiotherapy in Australia 2018–19, Radiotherapy activity and collection participation - Australian Institute of Health and Welfare

Butler, SM 2015, 'The change to radiotherapy utilisation in a rural area after the establishment of a local service', paper presented to 13th National Rural Health Conference, Central West Cancer Service, Orange, NSW, https://www.ruralhealth.org.au/13nrhc/images/paper_Butler%2C%20Sally.pdf

DSS (Department of Social Services) 2025, *Partnerships for Local Action and Community Empowerment (PLACE)*, DSS, Canberra. Radiotherapy in Australia 2018–19, Radiotherapy activity and collection participation - Australian Institute of Health and Welfare

Cancer Institute NSW 2024, *Reporting for Better Cancer Outcomes. Annual statewide report appendices, 2024*, Cancer Institute NSW, Sydney, https://www.cancer.nsw.gov.au/getmedia/e2d9461c-c7ca-4109-bbb9-29c4dd11e939/RBCO-2024-Annual-Statewide-report.pdf

City of Coffs Harbour 2023, *City of Coffs Harbour homelessness: issues and options paper*, City of Coffs Harbour, Coffs Harbour https://haveyoursay.coffsharbour.nsw.gov.au/98496/widgets/454555/documents/313900

HealthTimes 2020, 'Survey shows longer wait time for radiotherapy in poor areas', *HealthTimes*, 6 October https://healthtimes.com.au/hub/health-policy/70/news/aap/survey-shows-longer-wait-time-for-radiotherapy-in-poor-areas/5345/




[redacted]

Healthy North Coast 2024, *Homelessness on the North Coast*, Healthy North Coast PHN, Ballina, https://hnc.org.au/wp-content/uploads/2024/01/Homelessness-Paper.pdf

Homelessness NSW 2025, *Rough realities: homelessness in regional NSW*, Homelessness NSW, Sydney, https://homelessnessnsw.org.au/aplacetocallhome/wp-content/uploads/2025/09/Homelessness-NSW-Report-Rough-Realities_Oct25-1.pdf

Homelessness NSW 2021, 'Homelessness Census data released', Homelessness NSW, Sydney, viewed, https://homelessnessnsw.org.au/homelessness-census-data-released/

Jobs and Skills Australia 2026a, *Internet Vacancy Index (IVI)*, Jobs and Skills Australia, Canberra, https://www.jobsandskills.gov.au/data/internet-vacancy-index

Jobs and Skills Australia 2026b, *Nowcast of Employment by Region and Occupation*, Jobs and Skills Australia, Canberra, https://www.jobsandskills.gov.au/data/nero

News Of The Area 2024, 'Rough sleeping on the rise in Coffs Harbour', *News Of The Area*, 15 May, https://www.newsofthearea.com.au/rough-sleeping-on-the-rise-in-coffs-harbour

NSW Health 2023, *Understanding the charity and local community sector in regional NSW*, NSW Ministry of Health, Sydney. https://www.health.nsw.gov.au/regional/Publications/understanding-charity-sector-regional-nsw.pdf

NSW Government 2024, '2024 Street Count shows the housing and rental crisis deepening across regional NSW', media release, Homes NSW, Sydney, 26 August, https://www.nsw.gov.au/media-releases/regional-housing-and-rental-crisis-deepening

Philanthropy Australia 2023a, *A blueprint to grow structured giving in Australia by 2030*, Philanthropy Australia, Melbourne. https://www.philanthropy.org.au/wp-content/uploads/2023/01/Blueprint_to_Grow_Structured_Giving_Report_Final.pdf

Philanthropy Australia 2024, *Structured giving in Australia*, Philanthropy Australia, Melbourne. https://www.philanthropy.org.au/learn-about-philanthropy/structured-giving-in-australia/

SACOSS (South Australian Council of Social Service) 2023, *Submission to the Productivity Commission Review of Philanthropy*, SACOSS, Adelaide.

Treasury 2024, *Government and philanthropy partner to empower communities* (PLACE media release), Australian Government Treasury, Canberra. Submission to the Productivity Commission Review of Philanthropy - SACOSS