

Well-Being Measures and Community Involvement in the Allocation of Public Funds.

Kevin Cox
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The ACT government, in its call for budget submissions, states

We encourage budget submissions to focus on the longer-term expenditure and revenue priorities for the Government and how the Government can best support the well-being of the Canberra community.

Please note that budget submissions are not a mechanism for organisations to request funding assistance or for others to do so on their behalf. Organisations seeking funding opportunities are encouraged to consult the ACT Government Grants website.

This submission addresses these points and provides a **cost-effective mechanism for the ACT government to allocate funding to community organisations**. It will result in better control of funds, measurements of well-being, direct community involvement in fund allocation and an efficient method to distribute them. **It is inclusive and will treat all Canberreans equally, independently of their social, economic, ethnic, or gender differences.**

Most government funds are distributed to for-profit businesses because a business uses the funds to generate more income. Spending to generate revenue is easily measured, and compliance evidence comes from regular bookkeeping.

Community groups normally **have different measures. Spending generates savings or produces services for which the recipients cannot pay**. Bookkeeping measures expenditures and income. Not savings and negative income. This submission allows Community groups to participate in funding for profit, where the profits go to the Community groups for distribution by members. The **distribution profiting the Community** rather than private interests is one of the **main benefits of the approach**. Other benefits are the **rate of Capital deployment** and the **lower costs of Capital distribution**.

This submission uses walking as an example of the approach. It outlines how the Government can fulfil its essential compliance requirements and meet objectives of increasing well-being, fairness, value for money and community involvement.

Funding Walking to Increase Well-being

Investing in walking infrastructure is a proven way to increase well-being. However, determining how much to spend and where to invest the money takes time and effort. The traditional cost-benefit analysis has many drawbacks, especially favouring short-term returns against longer-term health and cost benefits. Additionally, it underrates active travel compared to costly motorised forms of transport.

The **ACT Draft Active Travel Plan and ACT Preventive Health Plan include walking as a vital well-being and cost-saving measure**. When people walk, they improve their health and reduce costs to the Community. However, no one pays people to walk, no charges for fuel or vehicles occur, and pathways cost relatively low amounts. The costs are the cost of a person's time, but that is not a cost to the budget. Because the costs and savings are invisible to the financial system, it is difficult for the Government to measure costs and benefits for budget allocation.

To overcome this measurement problem, the **Government can pay a community organisation for the time members walk**. The community organisation members and the Government decide how to spend the money, laying the financial framework for **a walking business with financial records to show compliance and measure well-being and savings**.

Community Capital Markets are a zero-cost way to distribute and reinvest Capital and remove the need to use a discount rate in evaluation. It includes long-term benefits and costs like life expectancy and global warming future costs. For example, it has future well-being measures of reduced hospitalisation, fewer prescription medications, and a more productive, low-impact lifestyle.

A CCM uses market techniques to decide where and how much money is spent on active travel by using a market with real income. Notably, the system **allows expenditure to adjust automatically to the information from the market**. The Capital expenditure is actual, and the measurement of benefits initially comes from research and is tuned by measurements of the participants in the walking market.

The CCM creates a market for walking where members of organisations receive payment for proven walking and supplying research information. They will live longer, be more productive, and benefit society. The money spent will increase active travel and provide information on exercise to help improve outcomes for the whole Community. The **Community and the ACT government collectively decide how to spend the funds**.

Paying people to walk does happen. The Netherlands pays people for every kilometre travelled by bicycle straight into their pay packets. However, **paying people to walk and using the money they raise to improve walking infrastructure and calculate the value to the Community is a Canberra Innovation**. CCM takes the idea of a market to serve the common good by requiring the money raised to be spent on projects to improve walking for everyone.

To have a thriving market, measuring who walks, where they walk, and how much they walk is needed. There are apps available to measure walking and put the measures directly into the accounting tools.

[The Australian Transport Assessment and Planning estimate the benefits of walking at \\$2.77 per km](#). However, it is an estimate. One of the advantages of a CCM is that individuals who walk supply the data needed to assess better the benefits of walking.

Any organisation with members could participate in the CCM walking market, and the ACT government will pay \$1 a km for every proven km they walk. The funds collected will operate the business, recruit members, and participate in walking research, development, and infrastructure. The Government could fund the startup business to set up a CCM market in walking services or

seek private investment to start the market. **Investors will receive an annuity return on investment of 10%, indexed for 20 years.**

Organisations will use a Community Capital Company to administer and operate the business and the Government will pay \$1 for each proven km walked by members. The Company spends the profits on walking research and development and walking infrastructure. Each member who walks 5,000 steps daily will walk about 3 km and earn \$3 daily. Over a year, this will amount to about \$1,000. One thousand members will make approximately \$1,000,000 a year. The Government and the Community will spend it on walking infrastructure and research.

The market makes the resulting data and information available to research organisations.

The profits return to the Community in walking infrastructure and knowledge. With enough members, the Company will pay for **all walking infrastructure in the ACT, and the benefits to the Community will be \$2.77 in well-being for every dollar spent.**

Compliance

When the **government spends money, it needs to account for the expenditure.** Community Capital does not change what is done. It changes the accounting and the rules under which Capital is expended and accounted for. Modern communications and computing make this low-cost and highly automated.

The flow of money tells if the system is achieving its aims and objectives or if money is diverted for other purposes. Not only does the system do most of the work, but **all participants' eyes observe what happens as the systems are highly transparent.**

Implementation

Implementation is straightforward and removes rules and regulations rather than adding them. The **operating cost is much lower for the government**, which sets the rules and regulations rather than administering the systems.

The ACT government only agrees to the payment for walking under certain conditions. Those conditions and methods will be proposed and implemented by Community Organisations. Only Community Capital Companies will compete for the business as a **Community Capital Company is the most efficient way to invest funds to benefit the Community**, and regular Capital businesses will find it difficult to match the Capital productivity.

Other **social services can use the same approach**, including Community Batteries, Zero emissions suburbs, Legal Services, Aged Care, Health Care, and other community service providers. Community Organisations can compete for members but will find that members will move to the ones most convenient for them, and the competition will be for non-financial reasons.

References

[Community Capital Banks Cannot Fail
A Self-Regulating Efficient Monopoly](#)

[Community Capital Markets](#)

[Unearned Income - a Fixable Flaw in Capitalism](#)

[Obscene Wealth is not Inevitable](#)

[The Bookkeeping Change to Counter Choke Point Capitalism](#)

[Fractal Scaling of Community Capital Markets](#)

[Build to Rent and Buy](#)