The CTC@NSW Program: Achievements and ongoing challenges

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ABSTRACT

The Australian government funded a variety of Information and Communications Technology (ICT) programs throughout regional Australia through its Networking the Nation (NTN) program. The Community Technology Centre @ New South Wales (CTC@NSW) was one such program. It was jointly funded by the NTN program and the NSW State Government and 55 new CTCs were created between 1 June 2000 and 30 June 2004.

Although the business planning process was an integral part of what communities had to do when they applied for a CTC@NSW grant, community inputs and outcomes regarding this process were not fully evaluated in the CTC@NSW program's Final Report. An independent online survey was subsequently designed and conducted by the first author and revealed that the business plan that was a major component of the application was a key determinant as to the success or failure of the CTCs that responded to this survey.

Keywords: *Australia; Networking the Nation; community technology centre; regional economic development.*

CTC@NSW BACKGROUND

The Australian government funded a variety of ICT programs throughout regional Australia through its Networking the Nation (NTN) program. NTN was funded by the partial sale of Telstra, Australia's own telecommunications carrier. While most of the earlier telecentre type programs funded by NTN focused on providing equity and access to targeted populations, the CTC@NSW program was established to provide seed-funding to create commercially viable community owned and operated businesses in small, regional communities throughout NSW. Each CTC was to deliver a range of community identified ICT based products and services. These services range from Internet access and computer training through to publishing community newspapers, video editing and service delivery for local and state government departments. Products and Services varied considerable from one community to the next – but all reflected community identified needs.

Table 1: *Implementation Stages of the CTC@NSW Program*

Stage	Dates	Activity at Stage	Program Staffing Levels
Stage 1	1June 2000 – 31 January 2001	Planning & Development	3
Stage 2	1 February 2001 – 30 June 2004	Implementation & Roll-out; 9 Funding Rounds	21
Stage 3	1 July 2004 – 30 June 2005	Transition	8
Stage 4	1 July 2005 onwards	CTC Association	1

The CTC@NSW program was implemented in stages. It was originally anticipated that all CTCs should be fully operational and self-sufficient within three years. However, additional stages had to be added to ensure that CTCs funded in later rounds received the support they needed to even be able to open their doors for trading, as many were not able to move into the premises they had identified in their applications until renovations had been completed.

Extensive research into other Australian telecentre programs was undertaken during Stage 1. It was conducted by the CTC@NSW State Manager, the Community Development Manager and a Business Planning Officer.

Implementation and rollout occurred during Stage 2 when the program had a fully staffed Support Unit, with offices in Sydney and Bathurst, along with eleven regionally based coordinators. De Weaver was a Regional Coordinator at this Stage and facilitated the program's rollout in the Northern Rivers region of New South Wales from February 2001 – December 2003.

During Stage 2, the staff of the Support Unit included a Business Strategy Manager, an ICT Officer, a Help Desk Officer and Web Manager, Marketing and Promotion Manager and two Office Administrators. This unit provided ongoing assistance for applicant, as well as funded communities, and identified and helped CTCs to deliver a range of potential revenue streams that might assist the CTCs in building their businesses. The eleven regional coordinators also worked in close collaboration with the Support Unit.

During Stage 3, the program's transition period, the central Support Unit was reduced to four members with just four regional coordinators to provide support and assistance to the CTCs. Stage 3 was established to ensure that communities that had received funding during one of the later funding rounds were not disadvantaged.

The NSW State Government provided additional funding to establish the program's next iteration as the CTC Association. Stage 4 staffing consists of just one paid Business Development Manager

The vision for the CTC Program's during Stage 1 & 2 was, "Bringing communities and information technology together for the benefit of country NSW." (CTC 2004, p.3). Its charter, as shown on its website (20 July, 2004), was "to establish up to 55 new Community Technology Centres (CTCs) in regional NSW communities, with populations of less than 3000 in order to help them gain access to a range of technology services for local businesses, students, community organisations, individuals and identified special groups within these communities."

Applications for grants to establish a CTC involved a two-step process with assistance provided by the Regional Coordinators. Communities first had to complete an Expression of Interest (EOI), which included particulars as to whether or not their community met the program's selection criteria, and then if the EOI proved successful, the Coordinators would work with communities on their Application for Seed Funding. There were three Program funding rounds each year from 2000 – 2003 (Table 1, Stage 2) and during this time six communities in the Northern Rivers received funding approval.

All funding applications required the support of a local auspicing body. These bodies often provided the building/facility in which the CTC was to be located as this was considered to be an essential part of the community's contribution. CTCs applications were evaluated on the basis of the three-year business plan. This Plan was the major component against which the merit of the entire application was assessed. Funding was delivered to the successful communities over three years and covered such things as:

- Computers, software and peripherals

- Office equipment such as photocopiers, colour and black and white printers, scanners and multimedia equipment such as digital cameras or similar, e.g. whatever was decided was required to provide the services needed in their community

- Networking equipment, e.g. routers, etc

- Phone and often fax machines

- Office Furniture including desks, chairs, filing cabinets, tables, etc and

- Administrative Costs: Manager's salary, insurance, accounting fees, consumables, signage, etc.

Mardle states (2003, p.5) "Telecentres are the equivalent of providing people with a motorcar and teaching them how to drive so that they will know how to drive without ever handing over the car so they can drive it where they need or want to go." Although this is a very negative way of looking at telecentre initiatives such as the CTC@NSW program, Mardle's viewpoint is valid because for many small communities even contemplating the use of ICT as a strategy for regional economic development required a significant paradigm shift.

Collits states (2000, p.30) "Communities have finite resources at their disposal for economic development projects and some difficult choices." This was evident in both the CTC's Final Report, and the Online Survey, as those 'finite resources' extended to the skills and commitment of the people in the communities that participated in the CTC@NSW program.

Keller also spoke about the role of Telecommunications in regional development in his chapter in "The Future of Country Towns, (2001, p.29) "Telecommunications will be a major factor in transforming, rather than reforming, the way rural communities do business and live their lives. No amount of digital information can reform the basic distinction between urbanised and the small place give to the massive imbalance of resources… It is assumed that rural areas already showing signs of great vitality will be best positioned to benefit from the new technologies and more remote centres already in decline the least." It is also assumed that people in these communities will have the necessary skills required to ensure rollout and uptake of new ICT products and services as they become available, which unfortunately is not always the case.

The aims of the CTC@NSW program were very much in keeping with the policy of the NSW Government at the time, e.g. 'listening' to what communities wanted to achieve, however as Collits (2001, p. 49) states, "Governments have increasingly turned their attention to the position of small towns, and have implemented programs designed to encourage economic development and to preserve a certain level of services. Governments are increasingly recognising that the task of small town survival is one of both economic development and of community building." Although capacity building was an outcome of the CTC@NSW program it also reflects the economic rationalist policies of both the state and federal governments that funded it.

At the conclusion of Stage 2, the CTC program had clearly achieved its long-term goals that were to:

1. Assist local communities to establish a network of sustainable CTCs across rural and remote NSW;

2. Promote community development and networks of interests in rural and remote NSW;

3. Encourage community demand for Information Technology (IT) services in rural and remote communities;

4. Encourage existing telecentres to join the CTC support network.

By June 2005 there were a total of 88 fully funded CTCs serving over 100 NSW communities with a further five CTCs in the planning stage. This number included the 55 newly funded CTCs, of which six were in the Northern Rivers (Table 1), along with the 33 Telecentres that had been funded by an earlier NTN program.

However, the key to the success of the CTC@NSW was the facilitation role played by the Regional Coordinators as the culture and skill base of these small regional communities proved to be a major variable in achieving successful outcomes.

OVERVIEW OF THE REGIONAL COORDINATOR'S ROLE

The responsibilities and duties of the CTC Regional Coordinators were many and varied with the first task being to create awareness of the CTC@NSW program and generate interest in local communities in their region and to encourage participation in the CTC@NSW program. However, in the Northern Rivers region, less than a third of the twenty-four communities that expressed initial interest in the program actually proceeded with an application, for many communities, the time; effort and commitment required to proceed with the application process were just too daunting.

Regional Coordinators organised community meetings to explain the program, established local steering committees and conducted ongoing community consultation to ensure that key stakeholders became engaged in the planning process. Their key responsibility was to assist communities with their applications and help them to prepare a comprehensive, three-year business plan. They also liaised on an ongoing basis with the program's support unit and assisted them in the preparation of ministerial briefings and finally, they helped to manage community expectation regarding the outcome of their application.

This consultation period usually lasted from four to six months, but in two Northern Rivers communities, the application process lasted over a year, due to changes in the membership of the CTC organising committees in these communities.

The EOI and the application were facilitated by the Regional Coordinator using a structured consultative process that involved various stakeholder groups. Representatives from these groups went on to become members of the CTC Planning Committee and the skills they provided, varied significantly from community to community. The Regional Coordinators worked closely with these committees to complete the CTC@NSW Applications for Seed Funding and helped them to determine how much they could apply for *after* they had completed a rigorous business planning process. Communities could apply for amounts ranging from $50,000 to $200,000 with the final amount being determined by the services that they planned to deliver at their CTC in order to meet their Key Performance Indicators (KPIs) as shown in their individual business plans.

FINDINGS FROM THE FINAL REPORT

Although, the three year business plan that each community had to prepare was the key factor in evaluating a community's application, the business planning process, and the skills required, were not covered in the final report nor were some of the technical issues that left communities frustrated and unable to deliver key components of their business plans.

Clearly this paper cannot address all the key performance indicators of the CTC@NSW program, but the Executive Summary in The CTC Program's Final Report highlight the key issues (p.3), "Lack of available time from community members and other local issues, such as drought, often hindered progress with the Application for Seed Funding and the development and establishment of Centres." Many of the successful applicant communities also needed more time to establish their CTCs than had initially been anticipated. It went on to state, (p.4) "The business concept of sustainability within three years of opening was an optimistic expectation of the Program, which in most cases has fallen short because of the inability of Centres to generate income at a local level." It went on to say that, "…Centres still in development are at risk if they do not receive the support offered to other centres during start-up. To meet this need, the NSW Government extended the tenure of staff (Figure 1, Stage 3) to assist with business brokerage, business and community development, maintenance of the www.ctc.nsw.gov.au website and technical support."

The reference to the technology issues that affected a CTC's performance, stated (Final Report, p.27) "The cost of maintaining the basic technology infrastructure continues to be an issue for CTCs…Bandwidth for communities continues to be a key issue…There is an expectation that access to broadband infrastructure will be readily available to carry volume data at affordable prices in the near future…Access to appropriated and affordable training continues to be an issues particularly in the more remote communities."

THE ONLINE SURVEY

While the Final Report was written to address the funding provisions of the CTC@NSW program as determined by both the NSW and Federal government, the online survey which was conducted in May 2005, was from a Coordinator/Community focus and designed to gain insight into this type of telecentre program from the perspective of participating communities.

Permission was requested from the Program Manager to conduct an online survey of the funded communities prior to June 2005 when funding for the CTC@NSW program finally ceased. An email was sent to all 55 of the newly funded CTCs requesting that the CTC Manager participate in the survey by clicking on the hyperlink. The first request for participation was emailed to the Managers on 27 March 2005 with a reminder email advising that there was still time to complete their survey sent on 27 May 2005. There was an 85% response rate from participating CTCs.

The survey was structured into three major sections and consisted of 29 questions. The first section, questions 1 – 5, incorporated basic information as to the location, size and management structure of individual CTCs. The second section, questions 6 –18, looked at the 'whys and wherefores 'of the application process from the communities perspective, while the third section, questions 19 – 29, focused on the business outcomes of the individual centres and provided general commentary as to whether community expectations had been met.

HIGHLIGHTS FROM THE SURVEY

For many of the communities involved in the program, it would have been very difficult to undertake the application process without the assistance of their Regional Coordinator and the help provided by the Support Unit. Figure 1 clearly illustrates the complexity of the application process by the time required to complete it.
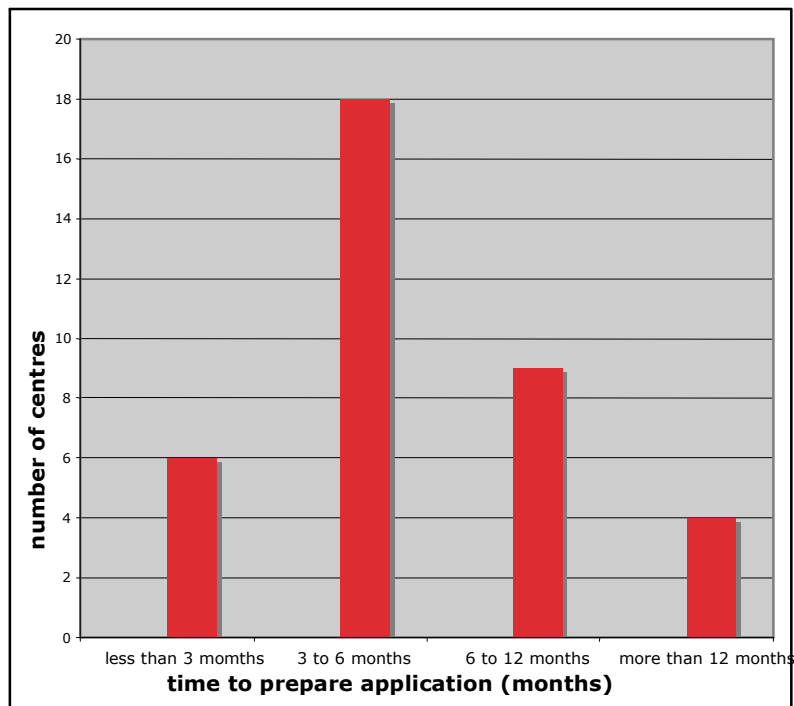

Figure 1: Responses to Q6 (n=41) showing the time taken to complete a CTC Application for Seed Funding.

In response to question seven, "Do you think that the people on your application Committee could have completed the CTC Application with out the help of the CTC Coordinator in your region?" Only six of the responding communities said 'yes' while all the others said 'No'. This reflects Hearn's findings (2004, p.15) "…learning strategies for rural and regional communities need to be planned and that communities need to be helped to help themselves. The 'strengths and resources of the community' should be identified and used effectively 'to advance the community'. In fact, he found that the level of skills and business acumen on the organising committee where a major determinant in the success of a communities' application.

Thirteen of the respondents were auspiced by the local council, five by local training organisations and two by Business Enterprise Centres with the balance being sponsored by a variety of organizations such as Neighbourhood Centres, Tourism Information Centres and a Community Museum.

However, in response to the question ten, "Does this Auspicing organisation still provide any ongoing support?" 36 CTCs said, "Yes' while only eight said "No". Of those who said "Yes" 28 were on the CTC Management Committee in addition to being members of the Auspicing

organization. This level of ongoing commitment to the CTC program proved to be an indicator of success or failure of the responding CTC.

Eleven of the Auspicing organizations provided ongoing financial assistance, 26 provided the premises for the CTC while six either generated work for the CTC, lent equipment, provided maintenance, helped to run the centre, filled staffing gaps or provided administrative support. Anecdotal evidence also revealed that the Auspicing aspect of the program caused considerable angst to the committees in several of communities that she assisted. This was especially true in one community that had undergone a recent local council amalgamation as the CTC was seen as a means of retaining its previous identify as a council in its own right rather than as a junior partner in a much larger council.

However, although successful applicant communities had submitted comprehensive business plans, the survey revealed (Figure 2) in response to the question 19, "Have you implemented, all or part of the original business plan (the one prepared as part of your CTC application)…" few had.
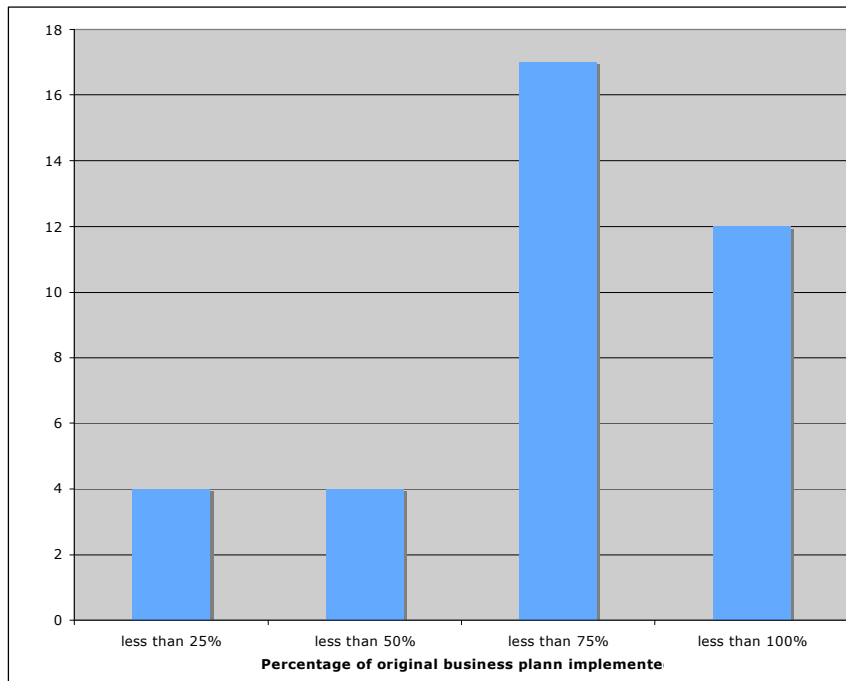

Figure 2: Responses to Q19 (n=37) percentage of original business plan implemented when survey was taken.

The following summary statistics are indicative of some of the other issues that emerged when the survey data was analysed:

• Eight of the CTCs surveyed indicated that they had achieved the results they had hoped for in their first year of operation, thirty-six said they hadn't

• Sixteen of the survey respondents indicated that they had had long standing technical problems

- Thirty-four indicated that they felt that CTC Managers should receive ongoing ICT training in order to provide a higher level of technical service and support for their CTC customers

- Thirty-eight of the respondents said that they had a manager, twenty-one were run by volunteers, nine were run in conjunction with other services offered by the Auspicing body and five indicated other solutions (All CTCs were supposed to have a paid full-time manager to help them 'run the business')

- Thirty-four of the CTCs had between one and three volunteers, ten had between four and eight volunteers and none had more than eight. The number of volunteers available was also a factor in the number and type of programs that individual centres were able to run

In response to question seventeen, 'If you are the CTC Manager, does your CTC Management Committee provide you with clear direction for managing your CTC?' 18% said 'Yes', while 82% said 'No'. Of those Managers who said 'No', the main issues that affect them were:

- Management Committee didn't meet on a regular basis

- Management committee didn't have enough business experience

- Key stakeholders in the community were not represented

- They didn't follow the business plan

- They weren't interested in working with the CTC@NSW support team

Some comments from individual CTC Managers regarding their Management Committees:

- Original committee did not seem as interested in the day-to-day running of the centre

- They're too busy with their own businesses to give priority to voluntary work

- They are not as interested in the direction of the CTC as they were 12 months ago

- Although we try to meet on a regular basis (once a month) sometimes we just can't get together

- Members of the Management Committee have no real business experience

- The previous manager had no clear directives or help

Figure 3 shows the responses to the question twenty-one, "Has your CTC achieved its budget in its second year of operation?"
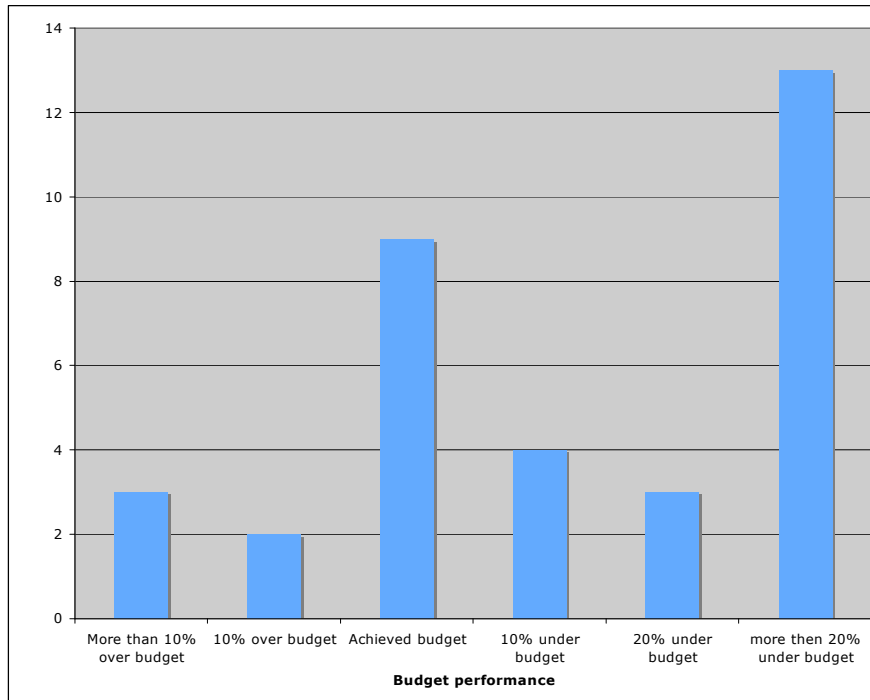

Figure 3: *Responses to Q21 (n=34) Budget performance in second year.*

A number of factors were attributed to this improvement and respondents usually ticked more than one:

- Sixteen indicated that they had revised their business plan

- Twenty-four indicated that they had done more to advertise and promote the products and services offered

- Nine conducted surveys to get more input from the community

- Eighteen added additional services in response to requests from the community.

- Eleven indicated that they had established additional partnerships with other regional stakeholders

- Twelve provided more training programs

- Sixteen indicated that the CTC@NSW support unit had provided them with more opportunities to participate in new programs and activities that were designed to generate revenue.

Figure 4 clearly shows how communities felt about the level of support they had received from the Support Unit.
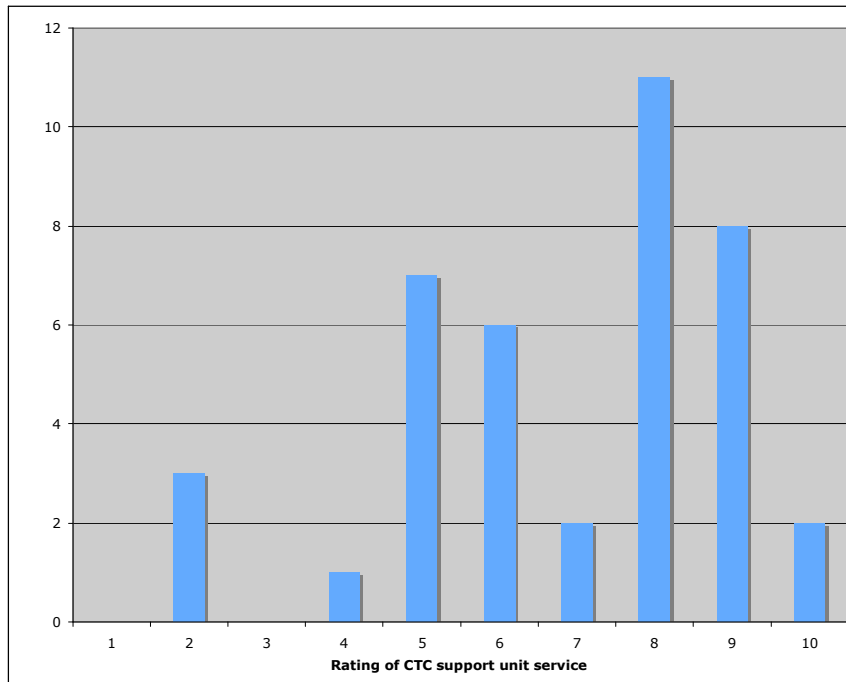

Figure 4: *Responses to Q24 (n=40), rating of the CTC Support Unit on a scale of one – ten, with one equalling poor and ten equalling outstanding.*

In response to the question twenty-five, most of the respondents indicated that they felt that their CTC had promoted and provided increased access to Information and Communications technology in their community with forty-two saying, "Yes". Sixty-four percent (64%) of those who responded to this online survey provided positive comments to question twenty-seven which asked*: 'Do you think your CTC has had a positive impact on the economic development of your community? If, yes please comment.*' Of those responding to this question:

- 30% indicated that they felt that the program's goal to 'Promote community development and networks of interests in rural and remote NSW had been achieved in their community,

- 40% indicated that the goal to 'Promote community demand for IT services in rural and remote communities had been achieved,

- 30% indicated that both of these goals had been achieved in their communities.

The following quote perhaps best encapsulates the overall tone of the responses to this question.
> *"People hiring entertainment gear from in town instead of the larger centres, this saves local people petrol money and travel time. Young people spending money at the centres gaming days instead of going to the larger centres looking for entertainment. Families and older couples as well as the youth are able to go to the movies that we offer for a fraction of the cost of travelling to the movies out of town and paying their much higher costs. People can get advice on new technology locally before making bad purchase choices. Photos with*

> *Santa are a fraction of the cost of having them done out of town meaning that poorer families can afford to have it done without having to fork out for the trip to the larger centres and then paying premium prices on the photos as well."*

Only 13% of the respondents to this survey included a negative comment to the above question. Most of these comments were about issues that were specific to their community and did not really address the overall goals of the CTC@NSW program.

And finally, in response to question twenty-nine, "Do you think the Manager of your CTC should receive ongoing IT and technical training in order to provide a higher level of technical services and support for customers of your CTC?" 34 respondents said 'Yes' while only 9 said 'No'.

CONCLUSIONS

The ongoing role of the Federal Government in using ICTs as a tool for regional development is evident in its discussion paper that presents its 'Clever Networks' Broadband Strategy (2005, p.16),

> *"The first two aims of Clever Networks are to:*
> 1. *Increase assess to, and effective use of competitive broadband networks in regional, rural and remote communities.*
> 2. *Focus on the delivery of government services such as, but not limited to, health, education and emergency services…"*
> *Policy objectives for Clever Networks (2005, p.16) indicate that Governments should,*
> *"…assist communities to develop skills and capabilities to realise the social and economic benefits broadband can provide…"*

While many of the comments provided by survey participants supported the findings in the CTC@NSW Final Report, they also provided insight into how the communities themselves felt about their participation in this program. The survey also highlighted the importance of having a robust support unit and regional coordinators as provided during Stage 2 (Figure 1) to ensure more successful outcomes.

While the CTC program has entered a new phase of its operation, as the CTC@NSW Association, comments made by the surveyed communities indicate that there are still many people in the communities that established a CTC that access to ICT products and services plays an important role in regional economic development and that governments should continue to help communities build capacity by supporting such programs. However, in order for programs such as the CTC@NSW to enjoy ongoing success they must continue to have access to the support and commitment of all three tiers of governments – local government to assist with accommodation, the State Government to provide personnel to deliver the range of support and services required to make these small community owned businesses viable on a long-term basis and, finally, the federal government to provide a secure source of ongoing funding to support programs such as the CTC@NSW program.

CTCs can and should continue to play an important role in regional economic development but they can't do it on their own. Governments need to leverage the investment they have already made in programs such as the CTC@NSW if they are to pay more than just 'lip service' to the goal of regional economic development as positioned in Clever Networks. In addition, governments should continue to establish and support programs such as the CTC@NSW program in delivering the range of services that individual communities have identified in their business plans. CTCs should have the capacity to evolve into robust broadband delivery points for local, State and Australian government services. Australians living in rural and remote and

rural regions must be able to access the same range of services as those offered to people living in capital cities. Although communities that established CTCs will continue to face challenges, there must be greater long term funding commitment from governments – at every level - to ensure long-term success for programs such as the CTC@NSW.

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