

A stronger, more diverse and independent community sector

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About UnitingCare Australia

UnitingCare Australia is the national body for the Uniting Church's community services network and is an agency of the Assembly of the Uniting Church in Australia.

We give voice to the Uniting Church's commitment to social justice through advocacy and by strengthening community service provisions.

We are the largest network of social service providers in Australia, supporting 1.4 million people every year across urban, rural, and remote communities.

We focus on articulating and meeting the needs of people at all stages of life and those that are most vulnerable.

UnitingCare Australia welcomes the opportunity to provide feedback on the Department of Social Services Issues Paper – A stronger, more diverse and independent community sector. This submission has been prepared in consultation with the UnitingCare network.

Giving the sector the voice and respect it deserves through a meaningful working partnership

Contributing to program design

UnitingCare Australia notes the Commonwealth Grant Rules and Guidelines (CGRGs) encourage agencies to engage in collaboration and partnership and points to the many benefits, such as improving the design of grant opportunities; helping to identify and reduce fragmentation and unnecessary overlaps in grant opportunities; and helping to develop appropriate outputs and outcomes.

Community service organisations (CSOs) want to play a role in the co-design of policy and programs, including grant opportunity guidelines, before they are finalised and established. CSOs want to be involved as early as possible in policy development. Their extensive on-the-ground experience can play a critical role in helping the Department to accurately identify the key problems and issues that programs should be designed to solve. Getting CSOs involved in assisting with the development of proposals that will be progressed through the Budget process would ensure that the problem definition, scope, design and costings are more accurate and effective. At a minimum, the Department should consider testing the clarity of grant opportunity guidelines with CSOs prior to finalisation and release. Probity issues can be managed by ensuring the opportunity to review is publicly available to all.

A key enabler of ensuring CSOs can play a co-design role is the Government providing an authorising environment that allows this to occur. This includes the Department and the Government accepting that good policy development and

program design takes time. Ensuring there is adequate time allowed for co-design processes to occur will facilitate in making them meaningful and valuable.

The experiences with the establishment of the Escaping Violence Payment provides a strong example of what can happen when not enough time is allowed for considered program design. The announcement of the availability of the payment before an establishment phase could take place and prior to any consultation with the broader women's safety sector had a significant impact on the ability of the UnitingCare network to appropriately deliver the payments initially.

CSOs should be supported financially to be involved in co-design processes, particularly smaller organisations and those in rural and remote settings. This can include compensation for travel or help with other logistical support for in-person engagement and consultation events.

For new grant programs, the Government could fund CSOs to undertake co-design processes with their local communities and target population in pursuit of achieving agreed outcomes. The initial awarding of the grant could be based on past experience and demonstrated ability to undertake co-design processes and high-quality service design but the actual details of the particular program would not be set in stone through the grant application and agreement process but rather allowed to develop in consultation with the local community. This is likely to lead to better outcomes for the community with more tailored and effective service design that reduces the risk of overlap as opposed to a standardised program that is centrally designed.

The UnitingCare network of CSOs are committed to ensuring the voice of service users and community are integral in service delivery and design.

One of the strengths of place-based models is their emphasis on capturing the voice of potential service users. Uniting NSW.ACT is involved in a number of place-based initiatives that focus on children and young people. Uniting NSW.ACT works side-by-side with children and young people to design innovative and sustainable solutions that create connection, wellbeing, and life-changing opportunities. They are focussed on strengthening each person's capacity to be an active participant in solving the

challenges they face. It starts with recognising children and young people as valued community members with gifts and ideas to contribute for a greater good.

One of the initiatives Uniting NSW.ACT has implemented is Youth Voice in the Shoalhaven (Bay and Basin area). In partnership with Vincentia High School, Western Sydney University and others, they have trained young people as peer researchers to investigate what their fellow young people are interested in. Uniting NSW.ACT has focussed on ensuring the young people involved are a diverse group. The peer researchers are supported to design the research, collect the data and analyse it. Based on this, the peer researchers design and pitch several youth projects to a wide range of community leaders, who then work with the young people and Uniting NSW.ACT to try, test and learn from implementing some of the projects.

Another similar example is Uniting NSW.ACT's work in Toormina. Uniting NSW.ACT has developed a Youth Advisory Council in partnership with local primary and high schools. This youth council includes a wide range of young people. They are supported by a wider community leadership group who are supporting and mentoring them. This youth council is now working with local council, services and community leaders to design a Toormina youth hub and other partnership projects that are growing out of the aspirations of Toormina's young people.

Ensuring that young people can drive the design of services and initiatives relies on allowing adequate time to fully engage and empowering them with active support and encouragement.

There is work like this occurring nationally across the UnitingCare network that is providing valuable learnings about what communities and service users need. There needs to be better processes developed so that CSOs can feed what they are learning directly to the Department to inform broader policy and program design. This is further discussed under "Sharing Information" below.

Partnerships

One of the best current examples of authentic partnership and collaboration is the National Coordination Group on Emergency and Food Relief (NCG), established in April 2020 in response to the COVID-19 pandemic to oversee the extra \$200 million

in funding provided by the Minister at the time. Members of the group are a range of experts from the non-government sector as well as the Deputy Secretary of the Department of Social Services, supported by an independent secretariat funded by the Department. The group meets regularly to look nationally at the situation of emergency and food relief and provides recommendations to the Minister on the situation and where, if any, funding allocation is required. The NCG has been highly successful in working with the Minister and the Department in shaping the direction of the Emergency Relief, Food Relief and Financial Counselling programs. The model has been evaluated and further detail can be provided. It is a unique model of shared decision-making worthy of replication and similar groups could be established for other key program streams.

The importance of advocacy organisations in partnering with Government and departments to inform and improve policy development and service design should be acknowledged and valued through the provision of ongoing funding for these organisations.

Sharing Information

Data collection, monitoring and independent evaluation should be appropriately funded by Government so that lessons learned, and impact achieved by CSOs can be appropriately captured and then shared with Government and the Department.

There needs to be more direct channels between on the ground CSOs and the relevant policy teams within the Department. The Department should actively facilitate the sharing of information through the establishment and facilitation of communities of practice and regular conferences along Activity or program lines. These forums should be attended by front line staff from CSOs as well as grant agreement managers and central policy staff from the Department. The Department could also consider dedicated email addresses for CSOs to direct key research, evaluation or practice design improvements directly to the relevant policy teams.

Providing grants that reflect the real cost of delivering quality services

The community services sector has been underfunded for many years. Urgent investment in the sector is required to address the compounding issues of rising operational costs, increasing service demand, the growing complexity of client needs and, most significantly of all, staffing crises.

The underfunding of this sector is linked to the feminisation of the workforce and the historical undervaluing of caring work¹. The undervaluing of this work should not be accepted. This work is skilled, difficult and vitally important. The work being done by the employees of CSOs is vital to the wellbeing of the Australian community, often impacting some of the most vulnerable cohorts in Australia. The Government must enable CSOs to increase pay and conditions for these vital workers through significant increases in funding.

We note the underfunding of this sector also impacts on its ability to innovate. Without any margin built into funding levels, CSOs are barely able to deliver needed services, leaving no funds available to invest in new ways of working.

We note the increasing emphasis in other care sectors, such as disability and aged care, of the need for funding to accurately reflect the true costs of service provision, otherwise the quality of care is compromised which can lead to serious harm. In these sectors significant work has taken place to understand the true cost drivers of the provision of care. For example, the Independent Health and Aged Care Pricing Authority is now undertaking cost studies on the provision of care in residential aged care facilities. While there is significant diversity in the services delivered by CSOs through grant agreements, there would be value in an independent body undertaking cost studies to gain more accurate and evidence-based information on the cost drivers for CSOs. Any costing studies would need to pay careful attention to the historical undervaluing of this work and resultant underfunding. The independent body would need to look at projecting the costs of delivering high quality services

¹ Fair Work Commission 2022, Occupational segregation and gender undervaluation, President's Statement 4 November 2022

with an appropriately remunerated workforce, rather than relying solely on historical cost information which would underrepresent true costs. The cost of all elements of high-quality service delivery should be considered, including service design, training, supervision, data collection, evaluation and continuous improvement.

We note the issues paper raises philanthropy as a source of funding for the community sector and it is a particular emphasis of Government. UnitingCare Australia and its network strongly supports the feedback provided by Anglicare Australia that philanthropy could never replace adequate, long-term and stable funding from Government. A focus on philanthropy should not be used as a way for Government to reduce or not increase its funding contribution to the sector.

Other key costs not covered

In addition to the discussion above, other key costs not adequately covered by existing funding levels are below.

- CSOs want to be as inclusive as possible. A key element of enabling this is interpreter and translation resources. Grant funding does not cover the cost of these important services – the costs of which have been increasing substantially.
- Capital costs are currently not considered in grant funding, such as for vehicles, information, communication and technology (ICT), and refurbishment of facilities. The Government should provide regular capital grant rounds for CSOs.
- Overhead costs have been increasing significantly, including the cost of rent, utilities, workers compensation insurance and other forms of insurance.
- The costs associated with providing essential staff development are often not adequately covered by grant funding. Continued training and clinical supervision are fundamental to the provision of high quality services.
- The cost of redundancy for staff needs to be included as grant agreements are often currently short term.
- Working in regional and remote locations inherently involves higher costs. This differential in the cost base is often not accounted for in grant funding levels.
- Some programs have strict eligibility criteria – for example, residency requirements. When ineligible clients approach CSOs, for safety and ethical reasons, they often cannot be simply turned away. The CSOs often expend

significant resources finding referral pathways for these clients, despite not being funded for these clients. UnitingCare Australia and its network would strongly encourage the Government and the Department to review and reconsider the strictness of eligibility criteria as these ineligible cohorts are often in significant need but funding levels for CSOs should be commensurately increased to handle the increased demand when they are included.

- CSOs are facing increasing accreditation costs. For example, the importance of cyber security is a key priority for CSOs and for Government. Government is increasingly asking CSOs to use particular cyber security systems to remain accredited. There needs to be greater cross-government collaboration to ensure there is consistency about appropriate systems so CSOs only need to be accredited on one system, rather than multiple.
- We also note that applying for grants is an expensive undertaking for CSOs. The Department should make every effort to make this process as consistent and efficient as possible to reduce impost. For example, CSOs have reported that different grant applications require slightly different information in regard to an organisation's governance arrangements. It would be preferable if the Department could determine a clear standard in regard to the governance arrangements they are seeking which is consistently asked for in the grant application. This would reduce the need for the CSO to spend time adjusting the information provided each time they apply for a grant.
- Many administrative costs are not adequately funded (see below for further discussion).

Administration and reporting

There is often a strong message from Government and the Department that funding allocated to administration needs to reduce and be redirected to funding the frontline delivery of services. However, the Department is consistently increasing the administrative burden for CSOs through data collection, DEX reporting, acquittals and frequent meetings, as well as sometimes inefficient systems and processes.

CSOs with multiple grants would be keen for the Department to review its processes with a view to increasing efficiency. For example, it often appears that the Grants Hub does not have a centralised database of information about grantees that all

employees can access. CSOs are repeatedly asked to provide information they have previously supplied, such as insurance certificates. Dealing with repeated email inquiries and supporting Grants Hub staff to find the information already supplied adds significant time and cost burdens for CSOs.

Data collection and reporting is an increasingly intense impost on CSOs. Data requirements are often fragmented across programs and use different timeframes. Reporting across multiple grants takes significant time and effort to be done well. CSOs want to collect data for monitoring, evaluation and quality improvement purposes as long as the time this takes is adequately funded by Government. In addition, CSOs want Government and the Department to be clearer about the purpose of the data they are collecting. Data should only be collected that is meaningful and valuable, with a strong focus on appropriate outcomes data. All programs should have an outcomes and reporting framework that is developed in conjunction with CSOs that drives data collection.

Proportionality, a key principle of the CGRGs, should be a key guiding consideration when designing reporting requirements. Data and reporting requirements should reflect the amount of funding. There are instances where the time spent in reporting is out of proportion to the small amount of grant funding provided.

Reporting requirements should be kept under review by the Department to ensure they remain fit for purpose. For example, in regard to Emergency Relief, CSOs currently have to report expenditure monthly. This may have been an understandable impost during the pandemic but it would be timely for the Department to consider whether this high level of reporting remains necessary. It may now be appropriate for this reporting to be reduced to every 3 or 6 months.

In addition the systems that enable reporting by CSOs to the Department should be simple, reliable and efficient to use. Unreliable systems add significantly to the administrative burden associated with reporting. This is particularly problematic in regional and remote areas where they are already struggling with connectivity issues.

For example, the online portal that enables the reporting of Emergency Relief expenditure has had a number of issues whereby the senior approving staff have been unable to approve reports for submission. This has required labour intensive and inefficient workarounds for the CSO. This issue has been reported multiple times to the Department but has not been resolved.

In regard to DEX, we understand the system was introduced with the aim of trying to streamline reporting and reduce administration costs. However, in practice the experience of many CSOs in the UnitingCare network is this has not always been the case.

Centralised databases with bulk uploading mechanisms as used in DEX has shifted the organisational reporting burden from administration staff to ICT teams. This is due to the significant amount of reconfiguration that needs to occur to ensure the data captured is in alignment with the upload requirements. Errors can result due to compatibility issues between two databases. Resolving these issues often includes an extended process of investigation between the ICT team and the funding body. These investigations can extend over months and require front line staff to implement time consuming manual work arounds in the meantime.

Repeated bulk uploading requires maintenance of the quality of data and correction of entry errors to ensure that all reports can be uploaded smoothly. In most instances this involves identifying the staff member responsible for the error and having the data re-entered appropriately. Not only is this process time-consuming, it also requires a financial investment into additional training to ensure staff develop and maintain adequate technical competency.

UnitingCare Australia acknowledges the value and increasing importance of capturing and reporting quality data. Unfortunately, it is too often the experience that these technological improvements of data reporting are often coupled with an expectation from funders that, as this improved technology has streamlined the reporting process, the organisation can reduce the level of administrative staff, and commit an increased percentage of total funding to front line staffing, while maintaining strict organizational overheads.

In practice, the streamlining of data reporting is predominantly achieved on the funder's end. CSOs have to implement more staff training, increase the size and expertise of ICT departments, invest in third party development from software vendors, and have front line staff spend more time entering increasing amounts of data at the expense of service delivery outputs.

There needs to be better collaboration with state and territory governments on data collection, reporting and compliance arrangements. Many CSOs in the UnitingCare network work across jurisdictions. For example, Uniting Vic.Tas has funding contracts with the Commonwealth, NSW, ACT, Victoria and Tasmania, with each requiring different reporting and compliance. For example, currently some jurisdictions require police checks to be completed every two years, while in others its every three years. Each jurisdiction has slightly different reportable conduct laws. Ideally, the Commonwealth would drive efforts towards harmonisation across jurisdictions as much as possible.

Uniting Communities (UC) in South Australia currently delivers over 100 individual government funded programs each year. These contracts range from a few hundred thousand dollars to \$8 million each, funded by a range of government sources at the state and federal level.

Each of these funding sources requires strictly defined data sets of demographic, output, and outcome data for all client engagement. Each funder has a specific reporting mechanism in place. Many of these are excel reporting templates that the service is required to complete periodically, while others are centralised data portals such as the DEX system.

To demonstrate the breadth of reporting mechanisms UC uses, they have provided a sample of services offered. The table below lists 9 funding contracts delivered within their counselling services, who the contract is funded by, and the reporting mechanism.

Counselling Type	Funder	Jurisdiction	Reporting Mechanism
Family Law	AGD vis DSS	Federal	DEX (govt database)
Sexual Abuse	SA Housing Authority	State	H2H (govt database)
Sexual Abuse	Dept Human Services	State	R2D2 (govt database)
Family Reunification	SA Housing Authority	State	H2H (govt database)
Family & Relationship	DSS	Federal	DEX (govt database)
Specialized Family Violence	DSS	Federal	DEX (govt database)
AOD adult	Drug & Alcohol Services SA	State	Excel Template
AOD youth	Primary Health Network	Federal	Excel template Folio (govt database)
Financial	Dept Human Services	State	R2D2 (govt database)

Some of the contracts listed above only fund as little as 1.6 FTE of counsellor positions. To ensure UC provides a client experience that is easy to navigate and structured according to client need, smaller funding contracts will be clustered into larger teams of the same service type. For example, the family counselling team at UC will deliver services against 6 different funding contracts. In addition to the ease of client experience, this approach is cost & resource effective whilst maximizing the diversity and depth of expertise within the counsellor staffing pool.

This approach often results in staff spending additional time double entering data into a government system, and the UC client database, or moving between collecting varying sets of data within a single counselling service as a result of the variety of reporting requirements across government contracts, which in turn, can add a significant amount of data entry time for front line staff.

The different bulk upload arrangements across different government databases requires significant reconfiguration by ICT team and front-line staff. For example, DEX reporting requires a country of birth, plus a language spoken at home to be recorded in the minimum data set. Whether the client is considered culturally and linguistically diverse (CALD) or not is derived from whether the client identified a country of birth other than Australia and a language spoken at home other than English. The R2D2 database, utilised by the South Australian Department of Human

Services, requires a CALD status to be identified as yes, no, or not stated. To ensure bulk uploads occur effectively to each respective data base, the UC ICT department has to create multiple data sets for each contract or generate code that will reconfigure the existing data set to the appropriate format.

The example of CALD status is relatively simple to resolve, however, data points such as disability status, referral source, household income, education level completed, can come with vastly differing sets of options clients may choose from, depending on how the funder's database is configured. The reconfiguration of internal ICT systems to adapt to varying reporting requirements is not only time consuming, but increasingly costly given the level of ICT expertise required.

Similarly, some service providers in the UnitingCare network that deliver Financial Counselling are funded by both the Commonwealth and their state government. The data requirements are completely different leading to the Financial Counsellor having to spend time determining which program they are recording a client under and then subsequently changing the data collection and intake processes accordingly. This is a very significant impost on their time and efficiency.

Indexation

While CSOs welcome the increasing acknowledgement from Government that longer term contracts are beneficial, it highlights the need to ensure that annual indexation is appropriate to ensure the value of the contracts can be maintained across the length of the agreement.

Indexation arrangements should be more transparent. It is not clear why indexation rates are considered advice to government and not publicly released. To improve transparency and accuracy, specific indexes should be created for the community services sector by an independent body. We note that the Independent Health and Aged Care Pricing Authority has constructed an aged care specific index and is actively seeking to draw on feedback from the sector to improve its accuracy over time.

Indexation needs to be reflective of the true annual increases in wages and prices that the community sector is experiencing. We note the NSW Government has

recently agreed to index grant payments by 5.75 per cent for 2023-24 following the Fair Work Commission's decision to increase award minimum wages by 5.75 per cent from 1 July 2023.

We note the advice from the Department of Finance that the appropriate indexation arrangements are determined when each program is established based on advice from the policy agency. Many programs administered by DSS were established many years ago. There should be a mechanism to ensure that the original indexation arrangements can be regularly reviewed to ensure they remain fit for purpose across the life of the program.

Indexation is generally received toward the end of the financial year which makes it difficult to plan how best to utilise the additional funding. UnitingCare Australia would strongly support the proposed option to improve the timeliness in passing on indexation.

In regard to funding for housing and homelessness services, while the Commonwealth may include indexation in funding to the state and territory government, it is left up to the state or territory government to decide how to distribute that funding which further contributes to funding uncertainty for service providers. Agreements between the Commonwealth and states and territories should clearly include a requirement that states and territories should appropriately index funding provided to CSOs.

Providing longer grant agreement terms

Ideal length

Longer grant agreements are fundamental for the sector. Unfortunately this sector has become well known for its short funding cycles which discourages workers from entering. It is extremely stressful for employees not knowing if they will be able to continue in their positions. CSOs regularly lose valued staff when there is continued uncertainty. This is particularly problematic when there is huge demand for this skilled and important workforce and they are difficult to replace. Shorter grant agreements also discourage investment in education and training of staff as some courses cannot be completed within the timeframe of the grant agreement.

In terms of an ideal length, UnitingCare Australia would recommend grant agreements of between 5 to 8 years. This timeframe allows for greater job security, time to build relationships and the ability to innovate and improve within the grant lifecycle. Allowing adequate time for relationship building and true engagement is particularly important when CSOs are seeking to work with First Nations communities. It is also important in the context of more partnerships between larger and smaller organisations – adequate time is needed to appropriately support and upskill smaller organisations.

The longer grant agreements could include regular review points, such as every 3 years. These review points could be designed to check whether the program is achieving outcomes and also to review whether funding levels remain adequate.

The South Australian Government has recently used 3 + 3 + 3 grant agreements. There may be an opportunity for the Department to engage with South Australia to learn from their approach.

Flexibility

As acknowledged in the Issues Paper, current grant agreements do not allow CSOs enough flexibility to change service delivery to meet the changing needs of communities. Ideally grant agreements should set out the specific target group and outline the outcomes to be achieved, with CSOs given the flexibility to meet the outcome in the way that best meets the needs of their individual client group or community. Standardised, highly prescriptive programs do not allow service providers the flexibility they need to adjust service delivery to the needs of potential service users and communities. These type of standardised programs often lead to duplication and wastage in a community. If providers had more flexibility in service design they could actively manage the risk of duplication by tailoring their service to meet the identified gaps in communities.

A number of CSOs identified that there may be a disconnect between the policy areas of the Department and the grant agreement managers on the ground in regard to flexibility. Sometimes it appears to CSOs that grant guidelines and messaging from policy areas is encouraging adaptation and authorising flexibility but individual

grant agreement managers are taking a more strict interpretation and actively constraining flexibility. It would be advisable for the Department to ensure relevant policy areas and grant agreement managers have close relationships and work together to build a shared understanding of expectations and procedures so CSOs are provided with consistent, accurate advice.

The Department of Finance should undertake a review of the Whole of Government grant agreements with a particular focus on the terms and conditions to allow greater flexibility. For example, under “Spending the Grant” consideration could be given to replacing “The Grantee agrees to spend the Grant for the purpose of undertaking the Activity only” with the grantee agrees to spend the grant for the purpose of meeting the stated outcomes, with the grantee involved in determining which specific outcomes are included in the grant agreement. In developing grant opportunity guidelines and operational guidelines the Department should give careful consideration to the level of detail specified in relation to the service delivery model and ensure there is room for flexibility and adaptation. If there are concerns about the appropriateness of service delivery models, the Department could manage this through other mechanisms that are more easily amended, such as agreed Activity Work Plans.

Acquittals

We note there are no mandatory acquittal requirements for grantees in the CGRGs so it is within the purview of the Department to carefully consider appropriate and proportional acquittal arrangements. Acquittal arrangements do not currently appear proportional. Some providers in the UnitingCare network are required to provide six monthly acquittals for multiple grant programs which adds a large administrative burden with an unclear value add. The requirement for audited reports for some grants is expensive and time consuming and it is unclear what additional value they provide. UnitingCare Australia would encourage the Department to take a more risk-based, proportional approach to acquittal requirements. For example, if as discussed above, longer term grants with review points are provided, for highly experienced providers delivering long established programs it may be appropriate for acquittals to be linked to the review point, rather than requiring them annually.

There should be an appeals or complaints process open to grantees where they can appeal the level of financial reporting required through the grant agreement. For example, an organisation should be able to seek a review of being required to complete audited financial statements when in line with the proportionality principle they consider it should be a financial declaration.

The Department should review its processes in regard to approval of rollovers of surplus funds.

When applications to rollover funds are submitted, the Department should review and approve these as quickly as possible. There have been instances where CSOs have waited 7 to 8 months for approval to rollover funds. This occurs so late in the financial year that it impacts on the ability of the CSO to spend the funds, leading to a cycle of unexpended funds.

There are times when it may be appropriate to forgo a rollover application completely. For example, one CSO in the UnitingCare network received additional funding from the Department in May. The Department acknowledged the CSO would be unable to spend the funding by the end of the Financial Year but still required the CSO to go through the rollover approval process.

The Department could consider instituting a process whereby if the surplus funds represented a small percentage of their annual funding (such as 10 per cent) they would be able to automatically rollover the funds.

Notice periods

CSOs need to be notified at least 6 months before the end of a grant agreement for renewals or cessations. This should be set as a minimum standard and there should be consequences for Government and the Department if this standard is not met. For example, departments could be required to report to Parliament if they have not met the required minimum standard for notice.

Ensuring grant funding flows to a greater diversity of CSOs

Opportunities and support for diverse CSOs

We note that smaller organisations, including some First Nations organisations, may not have the resources to spend significant time scanning the environment for grant opportunities. The Department could play a more active outreach role to these organisations or to communication channels they are likely to engage with to promote the existence of grant opportunities. We note the CGRGs encourage officials to consider awareness of opportunities amongst key target groups.

As mentioned above, the regulatory burden of compliance requirements in current grant agreements, such as accreditation requirements, data reporting and acquittals, is very high and is proving difficult to deal with for even larger organisations. They are therefore particularly problematic for small and First Nations organisations. Reviewing and consolidating some of these requirements will be particularly important for these organisations.

We note that some smaller organisations may not have the resources and capacity to provide strong quality assurance and risk management processes and in some instances there may be a risk of harm to clients and workers. This points to the need for these kinds of organisations to be provided with appropriate support. For example, the Department could provide funding for independent bodies that could support smaller organisations with governance, risk management and quality assurance processes. The Department could encourage and fund the secondment of larger CSO staff into smaller organisations to build and strengthen relevant skills.

Role of larger organisations

Service providers in the UnitingCare network are committed to supporting First Nations organisations and are actively providing tangible support and assistance in a number of areas, including grant application writing and organisational management capacity building. We note that this takes significant time and resources and is currently unrecognised.

The Department could fund larger CSOs and smaller and First Nations organisations to come together through communities of practice around key topic areas, including service delivery and governance issues.

The Department could fund First Nations organisations to develop a range of resources about how larger organisations can best support and work with First Nations organisations.

We also note that the nature of competitive grant processes for relatively small amounts of funding tends to discourage collaboration between larger and smaller organisations. As outlined above, the funding available to all CSOs is too low. It will be important that the already too small bucket of funding is not just further divided amongst more CSOs. There needs to be more funding for all organisations, including for smaller and First Nations organisations. More collaborative grant application processes should be developed. Larger organisations are keen to partner with First Nations and smaller organisations but the short tendering timeframes (such as four to six weeks) do not allow time for meaningful partnerships to be developed in time for the development of grant applications.

We note in South Australia, for example, for some programs it is a condition of tendering that larger organisations must partner with First Nations organisations. There is potential merit in this approach as long as adequate time and support is built into the tendering process.

UnitingCare Australia supports the intention of increasing opportunities for First Nations organisations. However, it remains likely that many First Nations people will continue to be served by mainstream programs and organisations. This highlights the importance of all programs and grants agreements for all organisations having a focus on the Closing the Gap targets and culturally safe service delivery. For example, consideration could be given to including an outcome measure focused on self-determination for First Nations people in the outcomes framework for most programs. The Department could support further work with First Nations communities on how best to measure self-determination.

Partnering with trusted community organisations with strong local links

CSOs in the UnitingCare network work very closely with their local communities and adapt their service delivery design to meet the different needs of each community. We also note that even 'national' programs can be adapted to meet local circumstances. For example, the Escaping Violence Program is a national program that is delivered and adapted locally. This has many benefits with local providers able to learn from each other through the national support provided but service delivery is adapted to and embedded in the local circumstances.

A number of CSOs in the UnitingCare network deliver the Communities for Children program and note the model is highly beneficial in allowing them to develop tailored programs and services that meets the needs of their local communities. Having an appropriately funded Facilitating Partner means they can undertake the co-design and community development work to truly build traction in their communities and to spend the time to understand the existing service landscape so they can ensure funding is directed to where it's needed most.

Uniting NSW.ACT is involved in three place-based programs focussed on children and young people – Firefly in the Shoalhaven; Maximising the Middle in Greater Western Sydney; and Becoming U in the Mid North Coast. Uniting NSW.ACT is active in jointly facilitating a place-based community of practice to share best-practice insights and support other place-based initiatives in maximising program effectiveness. Uniting NSW.ACT is an active member of the Strengthening Communities Alliance and worked closely with their fellow members to develop the Strengthening Communities position paper ([found here](#)). UnitingCare Australia supports the recommendations outlined in the paper.

UnitingCare Australia believes some of the place-based models that are being funded by the Commonwealth are yet to reach their full potential. This can sometimes be due to the inflexibility of existing funding arrangements. Not being able to pool funding across grant agreements and the inflexibility of acquittals reduces the ability to work in community-led ways and fully mobilise available community resources.

We note the evidence on the efficacy and cost-effectiveness of place-based models is still being built. While place-based approaches could potentially play a role in improving community disadvantage, UnitingCare Australia believes to truly tackle entrenched disadvantage Government needs to equally focus on systemic issues and use the full suite of social policy levers, including increasing the rate of Jobseeker and improving access to social housing.