



A stronger, more diverse and independent community sector

Submission to the Australian Government

November 2023

This submission is made by 54 reasons, Save the Children Australia's service delivery arm. As Australia's leading children's rights organisation, we've been supporting children here for over 100 years. We exist to ensure all children have their rights met, so they can thrive. And that adults take these rights seriously.

Our name, revealed in 2022, represents each of the 54 articles in the United Nations Convention on the Rights of the Child (CRC)¹ The change was inspired by the children we work with, who asked us for something of their own. In 2023, we will work with over 25,000 children, young people and their caregivers across the country, boosting school readiness and engagement, reducing offending by young people, and supporting children experiencing domestic and family violence, alongside their protective parent, as clients in their own right.

This submission reflects what we know works from our experience in giving children's rights practical expression through policy design and service delivery here and across the globe. Consistent with CRC Article 12, our views are also informed by the voices of the children and young people we work with.

We look forward to working closely with sector and government partners to support the outcomes of this review process, including through our formal membership of the Community Services Advisory Group (CSAG) and the Blueprint Expert Reference Group (BERG).

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

As a member of both CSAG and the BERG, we actively support a genuine and open relationship between government and the sector – at the policy level, and as individual initiatives are designed, tendered and reviewed – so that we jointly unlock new value and improve outcomes for people and communities.

We also believe that people of lived experience – in our case, children in Australia who are not having their rights met deeply or consistently – should be invited to input and be heard on the issues that affect them. Doing this in a systematic way takes significant effort from our staff and community members themselves but offers substantial value to individuals and decision makers. Engagement with children and young people should be carefully planned and resourced appropriately, with clear upfront expectations and appropriate feedback loops built in.

Some of the most important functions of the state are supplied by the community sector. Procurement of these services need not just be an administrative process – if done collaboratively and with high trust, it can also be a strategic source of innovation. Promising practice here and overseas includes:

- Prior to tender: releasing commissioning plans / requests for information to the sector for shared visioning, specialist input and/or co-design; reorienting contracts to be more outcomes or results focused; providing early and open access to government data on need; ensuring concise and accessible tender documentation, and resourcing procurement teams adequately to reduce time to decision.
- In-delivery: convening providers to review performance and client feedback throughout implementation – reflecting on shared progress, learning from insights and

¹ We define a 'child' as a person up to the age of 18, reflecting the definition of a child in the CRC.



identifying system-wide trends as well as opportunities for improvement. This could build on CSAG arrangements, establishing communities of practice by portfolio or funding pool.

- Prior to re-tender: formalising contract extension criteria; standardising extension or retender timeframes, and again internal resourcing to reduce time to decision.

Providing grants that reflect the real cost of delivering quality services

Around seventy percent of our costs go to staff on the SCHADS award, and so we must constantly look for productivity and efficiency improvements across non-staffing costs. This includes exploring technological advancements and pursuing economies of scale and scope.

It is rare for social services agreements to provide any substantial margin for reinvestment or sustainability. This has real impacts for staff and clients and limits resources for research and development. Over the past 5 years, we have made a deliberate decision to shift away from topping up government contracts via public fundraising or philanthropy, as it creates new dependencies and uncertainties for our workforce and the people we service. These funding sources are better directed to practice innovation or workforce development.

Mandated partnerships, co-design, outcomes-based measurement, and/or localisation requirements make for more impactful services but have genuine cost implications that must be factored into commissioning. This is supported in current Children and Parenting Services contracts for example, which allows providers to allocate 10% of total spend to innovation.

Providing longer grant agreement terms

We strongly support the proposed move to longer agreement terms, with active contract management including collaborative performance data reviews. This must be accompanied by a commitment to adequate indexation that is periodically assessed and advised early, to sustain quality and service levels and help the sector adapt to macroeconomic shifts.

We advocate for minimum two year extensions with official notice issued at least six months prior to end of contract, and transparent extension criteria. This is consistent with recommendations from the Productivity Commission and the Australian Council of Social Service. Formal retender or renewal should be combined with a review of funding against costs².

Combined with an orientation to results-focused (rather than inputs-based) commissioning, this offers the sector the certainty and flexibility required to partner, invest and innovate for better client outcomes. And it provides the foundation for a more meaningful and productive relationship between government as industry steward, and providers in the industry.

Longer term agreements give certainty and stability to our clients and service delivery partners in community. It is particularly important when standing up new services for complex client cohorts. For example, our first year of implementation of Play2Learn+ in Tasmania, as one of three Commonwealth Payment By Outcomes Trials, required us to spend considerable time on building awareness and understanding from referral partners and local networks, as well as wider trust and rapport with prospective clients who have had negative past experience with the 'system'. This work has paid off, with over-subscription in year/cohort two and strong demand in year and cohort three.

Finally, this shift will also support the sector to adapt to Government's new rules limiting the use of fixed term contracts for our staff, as part of the Secure Jobs, Better Pay changes to the *Fair Work Act*. Too often, we lose highly experienced and committed specialists due to contract

² See Gilchrist, D. J., and C.T. Feenan. 2023. "Economic Paper 1: What is Indexation?" Working Paper Series on the Economics of Human Services, Centre for Public Value, UWA Business School, Perth, Australia



uncertainties. Ultimately, this impacts job quality, performance and productivity, and increases costs including but not limited to recruitment, onboarding and training.

Ensuring grant funding flows to a greater diversity of CSOs

Diversification of funding flows should be guided by what is best for client outcomes.

Greater variety or volume of providers in the social services sector has not always delivered an improved experience for children and families. It does not guarantee quality or access. It can make the system unnavigable and add cost. It overstates client choice³. In time, the system responds to this complexity with new layers like ‘navigators’ or ‘linkers’ so that families can find and benefit from supports they are eligible for.

That said, we believe that unbundling large contracts may be appropriate where specialist skills, experience and/or authority is required e.g. cultural, gender or intersectional leadership and lived experience, or where industry disruption is actively invited. It is critical this is done thoughtfully, with a view to the health and sustainability of the sector, as disaggregation impacts the potential for providers to invest at scale.

Other important ways to ensure diverse needs and perspectives are well represented in service governance are to mandate arrangements that embed client or local community voice (as has occurred in health) and encourage partnerships, both formal and informal. We have deep experience in consortia building and joint tendering, co-location and shared delivery, and are committed to sharing our practice and measurement resources with like-minded partners across the sector.

Partnering with trusted community organisations with strong local links

As a national provider of children, youth and family services, we are committed to being highly accountable for client outcomes, achieved and measured through well-evidenced design and quality implementation at scale.

And as a Facilitating and Community Partner and a backbone provider for Collective Impact across the country, we also see firsthand the power of place-based initiatives in mobilising locally led change.

In all service delivery sites, we employ locally so that our people reflect the communities they serve, and engage with population-level data and children themselves so our services are designed and delivered in a way that is highly relevant to the places we work.

Noting that only half of children whose rights are most at risk due to poverty and other family or situational factors live in areas designated as ‘disadvantaged’, we support a public health approach to service system design – so that no child or caregiver is left without support.

*“There is no single solution to the complex challenges faced by many children, families and communities. Improving children’s health, development and wellbeing requires combining or ‘stacking’ multiple effective evidence-based strategies across the early years (0-8 years) and implementing them concurrently and continuously”.*⁴

³ Gilchrist, David, J., and Clare T. Feenan. 2023. “Economic Paper 3: Markets and Human Services”. Working Paper Series on the Economics of Human Services, Centre for Public Value, UWA Business School, Perth

⁴ Centre for Community Child Health at Murdoch Children’s Research Institute, Social Ventures Australia and Bain & Company (2023). The Restacking the Odds Indicator Guide: Quality, quantity and participation indicators across early years services and why they’re important (First edition). Melbourne, Australia. <https://doi.org/10.25374/MCRI.21484551>



We believe every community should have access to proportionate universal and evidenced-based services, with well-matched supports customised to individual variations⁵, and client voice embedded into governance to ensure services are tailored to local circumstances. Tertiary interventions would be accessed through this platform, easily navigable and providing for step-up and step-down support.

Additionally, place or collective impact models can support further innovation, wider community engagement, shared measurement and/or non-government investment. Regional commissioning may also be applied in this context, balancing the costs and benefits of unbundling services currently delivered nationally at scale.

As a rights-based organisation, we strongly support self-determination for First Nations children, young people and communities and have seen and supported place-based models that work well in this context. For example, we have previously operated as backbone for justice reinvestment and early years collectives in Western Australia, and we are in the early stages of engaging with the Stronger ACCOs, Stronger Families project regarding future arrangements for Kununurra's Communities for Children where we operate as Facilitating Partner.

Further information

To discuss this submission or for more information, please contact myself or [REDACTED], Deputy CEO at [REDACTED] or [REDACTED].



Chief Executive Officer
54 reasons – part of the Save the Children Australia Group

⁵ Shonkoff, JP (2002) *Reinvisioning Early Childhood Policy and Practice in a World of Striking Inequality and Uncertainty*, Center on the Developing Child, Harvard <https://developingchild.harvard.edu/re-envisioning-eed/>