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8 November 2023

CatholicCare Victoria Tasmania (CCVT) and MacKillop Family Services joint response to the DSS Issues Paper: A stronger, more diverse and community sector

CatholicCare Victoria Tasmania

CatholicCare Victoria Tasmania (CCVT) was formed in 2011 to bring together, under one umbrella, the Catholic metropolitan and regional Dioceses' CatholicCare/Centacare agencies across Victoria and Tasmania. CCVT has from its historic roots grown to be a significant provider of programs focussed on child and family welfare and relationship support. CCVT currently has Commonwealth grant activities agreements scoping individual, couples and family relationship counselling, separation support services, family violence, parenting support programs, children's contact service, childhood early intervention in disadvantaged communities, community mental health early intervention and support programs, emergency relief, refugee and new arrival settlement programs, and employment services. CCVT also provides Trauma and Torture Counselling support for refugees and asylum seekers and pregnancy loss counselling and support. In addition, CCVT has funding agreements with Tasmanian and Victorian State government departments, to deliver programs including:

- Integrated Family Services;
- Victims of Crime Support;
- Out of Home Care – Kinship Care and Permanent Care (of children);
- Mental Health Services;
- Youth Justice Support;
- Older persons support;
- Homelessness Support Services, including crisis accommodation and aged persons housing support incorporating brokerage for allied health services.

In the past 12 months CCVT has worked with over 36,000 clients across Victoria and Tasmania. CCVT enjoys donor, philanthropic and volunteer support which is used to operate niche programs and responses that complement our government funded programs.

MacKillop Family Services

MacKillop Family Services (MacKillop) is a national provider of child and family services. In 2022/2023, more than 21,800 children, young people and their families accessed support from MacKillop across metropolitan and regional Victoria, New South Wales, Western Australia, Northern Territory and the ACT. A key focus for MacKillop is keeping families safely together through the delivery of evidence-

based and evidence-informed programs and services aimed at strengthening and repairing relationships. The services MacKillop provide are supported by Commonwealth and state / territory funding, fundraising and philanthropic support. Delivered by over 2,000 staff, operating nationally from 52 offices, our services and programs provide practical and accessible assistance in family therapy, family relationship services, family support, foster care, residential care, disability services, youth support, youth homelessness, education and training, mental health, family violence, early intervention, sexual assault, parenting and early childhood. We also continue to support women and men who, as children, were in the care of our founding agencies.

In the past 12 months (last financial year) CatholicCare Victoria Tasmania and MacKillop have worked with over 16,659 clients in the programs that the Department of Social Services administers.

CCVT and MacKillop welcome the opportunity to respond to the Issues Paper and congratulate the Department of Social Services for undertaking this important project. We are providing a joint submission to contribute our considerable experience and shared views on the focus areas for consideration. CCVT and MacKillop have strong links to the communities we work with and support. We note the tremendous benefits to the Australian community and civil society of the maintenance and development of a vibrant, diverse, sustainable and productive community sector.

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

CatholicCare Victoria Tasmania and MacKillop provide a range of child and family services funded by both State and Federal Governments across the social services delivery spectrum from early intervention and prevention through to specialised treatment and high-risk support services including statutory services and the care of vulnerable individuals and children. These include family and relationship services, counselling, parenting support, mental health support and services for vulnerable individuals and children.

Most of the contracts and the government business with providers is notionally referred to as a partnership however in real terms is more transactional given funding and service agreements. Whilst it is true that the Community Service Organisations (CSOs) provide additional support to communities, particularly those with deductible gift recipient (DGR) and Public Benevolent Institution (PBI) status, value add with their charitable capacity. The sector also provides additional support provided via donations, trusts and foundations, which is often not acknowledged more broadly. Additionally, many CSOs often provide service in a catchment funded by both State and Federal Government and therefore can provide a truly integrated and wrap around support in a particular community.

In terms of working partnership this needs to include mutually beneficial obligations regarding service agreements and funded service activity. This extends to issues such as planning and preparation regarding future procurement with tenders, better codesign to inform service delivery and reasonable notice period for grants being extended. In the current environment, grants provide direct benefit to government and communities, with more risks and compliance increasingly being imposed on CSOs. Additionally, more opportunities are required to provide feedback to government about how social policy is impacting clients and families at the local level and in communities with differing priorities or emerging need. Such consultation requires longer timelines for input to enable measured and accurate information to inform planning for initiatives and community need responses.

It is timely to review the role and membership of the Community Services Advisory Group (CSAG) to ensure that the views and needs of communities more broadly are being represented via CSOs, with increased opportunity to contribute. The other key sector peak bodies have demonstrated capability and goodwill in developed processes which can inform government via respective membership.

Unfortunately, however our experience of government is very siloed when looking at service activity funded at the State versus Federal level in social services and often there is a lack of service co-ordination between state and funded activity. Additionally, service and policy reform may contradict or inadvertently impact service delivery and clients via unintended consequences. This is particularly evident in Family Violence reform at the State and Territory level and its associated impacts for Federally funded Family Law and Family Dispute Resolution Services including Family Relationship Centres, which are not covered by new Information Sharing provisions between state funded programs in community organisations and statutory authorities (e.g., in Victoria).

Funding to support strengthened engagement through technology is an avenue that can increase co-design opportunities from the sector agencies and community members directly such as focus groups.

2. Providing grants that reflect the real cost of delivering quality services.

Several of our programs including Family and Relationship Services, Family Law Counselling, and Regional Family Dispute Resolution, have seen a significant reduction in the services we are able to deliver due to an erosion of staffing numbers as a result of funding contraction after years of low indexation or no indexation. The volume and complexity of reporting has also impacted on service delivery staffing with the burden on smaller organisations sometimes prohibitive to them continuing as viable service delivery partners. Encouragingly, we are now starting to see increased indexation in the 2023/24 financial year for some DSS programs in the order of 15% which more accurately reflects the reality of increased cost of service delivery. Additionally, with this more recent advice advance notice of indexation for future years of the grant i.e., 2024/2025 and 2025/2026 this will assist with financial planning around budgets and staffing. Up until recently this has been problematic as future years indexation was not provided to CSOs until relatively late in the financial year which increased the probability of organisations carrying forward an underspend, as the funds could not be necessarily acquitted quickly. However, once again depending on the program and funding stream this indexation does vary.

In the Emergency Relief area, which has a service delivery model that has historically been contingent on volunteers, increasingly in the current environment it is difficult to operate and maintain given the increasing burden and the cost-of-living pressures on families. The recruitment and retention of volunteers (particularly post COVID) has become more challenging, and the reporting and compliance requirements make it more unlikely that volunteers are able or willing to continue in their roles. Additionally, the service has experienced significant increases in funding during COVID followed by a contraction which has created additional challenges for staffing, workforce management and volunteers, aside from the demand and challenges of routine service delivery. Emergency Relief funding or the delivery and management should be funded more adequately including the administration and management component of the service. Whilst it is true that charitable organisations are value adding to the grant with other support the services, the base grant should be more adequately funded by government.

As the main purchaser of services, the Federal Government must guarantee it will fund any relevant pay rises and improved workplace conditions for the community sector workforce arising from decisions made by the Fair Work Commission, along with increases associated with the Superannuation Guarantee, Victorian WorkCover premiums increased by an average of 42% in the 2023 state budget, and Consumer Price Index (CPI). Unfortunately, the good will and capacity from CSOs is being eroded over time from the increasing cost and demand of service delivery without corresponding increases in grant income to offset these additional costs. While understanding the

finite resources available from government, this highlights the importance of broader CSO consultation to enable the prioritisation of funds to communities of highest and/or emerging need.

Government needs to implement processes that enable input into what the actual costs are to agencies in delivering services. A times this can differ also between States and other compliance requirements that incur expenditure, as well as internal costs of corporate/support services such as quality and risk and management and leadership, all necessary to the delivery and oversight management of direct client services. In times past rurality weightings were applied to funding formulae to account for the increased expenses in delivery regional, rural and remote services. This concept on service methodology needs to be reinstated.

For agencies who span a number of the DSS/AGD service activities, there would be efficiencies in exploration of more streamlined reporting templates which are aimed at capturing information that informs planning and not just for accountability purposes. It is important also to acknowledge and seek to simplify the multiple reporting and compliance requirements on organisations that cross both state and federal funding bodies.

3. Providing longer grant agreement terms.

Grant agreements should be a minimum of 5 years. This would allow for certainty and consistency for program planning and most specifically recruitment. Recruitment is difficult post COVID, especially in regional and remote areas, and the added challenge of short-term funding makes it extremely challenging to attract well qualified staff This then also becomes a key contributor to program underspends and results in a 'Catch 22' situation for agencies.

Long term contracts are required to enable CSOs to attract high quality applicants to a position that has reasonable tenure. A one-year contract of employment is frequently a deterrent to potential applicants. Short term contracts are usually reserved for pilots or reactionary or transitory funding like disaster or emergency management. There is also limited capacity in some grant agreements to contribute to long service leave provision.

CSOs need more lead in time around transitions or variations to agreements. Often the sector is not being informed in a timely manner about changes to grants or impromptu funding extensions. We have experiences of significant proportions of staff leaving a program due to imminent lapsing funding, or not enough time being provided to transition to a new provider if there are changes in the service system with new providers.

The industrial employment landscape for employers in the sector has changed for all CSOs. This means that staff on fixed term contracts will need to transition to ongoing funding which then triggers redundancy payments if a program is not continued or unexpectedly terminated due to a change in government policy. This is also part of an increasing cost burden on CSOs that is not factored into grant agreements.

Finally, there is a prevailing view by government that providers in the community sector should be providing efficiency dividends from work contracted by government. This point fails to acknowledge that most services provided by CSOs are break even (they are not generating profit) and that most services are providing a safety net for the most vulnerable and disadvantaged client cohorts that have limited or no ability to generate fees for service due to (appropriate) social policy in this area. For example, quite some time ago there were cuts to government funding with Family Relationship Centres with a corresponding change to the fee policy to increase fees at FRCs. However, the fee policy was capped given access to the universal service system and to provide a safety net for the disadvantage cohort and the recoup of funds was never attainable with the change in fee policy.

It is to be noted that for many State funded activities which will always have client demand e.g., homelessness, child protective family services, mental health services, the funding is ongoing unless performance issues occur. This enables consistent planning around infrastructure and staffing that supports the best outcomes for individuals, couples and families.

4. Ensuring grant funding flows to a greater diversity of community service organisations.

This is becoming more challenging due to the professionalisation of the sector and the increasing risk and compliance burden on CSOs. This essentially means that small dynamic and innovative services with a very local support base are at risk of closing or being subsumed with a larger provider as they do not have the economies of scale to operate successfully with advanced systems and processes to manage all the support functions of service delivery, for example information technology, cybersecurity, finance, human resources, management reporting and data analytics, administration and infrastructure.

The increasing amount of reporting required even for very small low funded programs make it extremely difficult for smaller organisations to meet the reporting criteria. Consortia and partnerships to assist smaller organisations sound good in theory however often in reality they only get a proportion or small allocation of funding. Additionally, there needs to be a lot of goodwill and in-kind support as the funding does not support this type of activity as the margins and funding are generally too tight to seriously consider this type of arrangement and is essentially allocated to service delivery. Also, with a consortia arrangement the lead organisation carries the additional burden of risk (from a funder perspective).

5. Partnering with trusted community organisations with strong local links

5.1. What is your experience with and reflections on place-based funding approaches?

CCVT and MacKillop Family Services acknowledge and support the focus on place-based service responses. The 'Dropping off the Edge' data report (Tanton, et al 2021) continues to highlight the intersection of social and environmental disadvantage, and it remains an important resource to better understand local challenges and to effectively guide priority areas for place-based funding responses. While there are multiple examples of State and Commonwealth approaches to place-based approaches, there appears to be significant scope for effective role clarification, coordination and integration between Local, State and Commonwealth resources. This Issues Paper appears to imply a limited scope for place-based integration – referring to coordination between Commonwealth agencies. Better co-ordination between the three tiers of government would avoid responsibility and associated risk and responsibility falling on the community sector. A recent report prepared by ARACY (2023: 4) that charts place-based initiatives across Australia noted:

“Our mapping of place-based initiative sites shows that in many cases activity overlaps, duplication and subsequent role confusion continue to proliferate. The second map shows that the picture becomes even more complicated when place-based approaches led at the state or territory level are factored in. With all best intentions, multiple actors are seeking to apply place-based approaches in the same or overlapping geographical areas, frequently without the dedicated coordination and alignment that is typically assumed to be a hallmark of this way of working.”

Many of the children and families with whom we work interact with multiple systems and services. Front-line practitioners are often in the unenviable position of supporting families navigate systemic complexities. This point was noted by Hogan et al (2021):

“Too much is left to frontline practitioners to weave systems together, who don't have the authority to do so, but they battle on with inconsistent access criteria, assessment and support tools, information-sharing and other organisational barriers.”

An example includes the significant time spent by family support practitioners advocating for NDIS support for parents and/or children for parenting or other disability related support needs. Also relevant to disability support provision, the recent NDIS review interim report noted the implementation of the NDIS has led to gaps in mainstream service delivery for people with disability, including the provision of support to children and families in everyday environments such as the home, community, and early childhood education settings.

The foundational work underway in relation to the *proposed National Centre for Place-Based Collaboration* (National Centre) appears to seek to address these concerns with a focus on exploring the national infrastructure required to support place-based change. The proposed outcomes for the National Centre were set out in a discussion paper (undated), however we note that a focus on improved integration and collaboration between levels of government was not included. We would support the National Centre driving a focus on collaboration and integration at all levels of government.

The place-based implementation of evidence-based programs requires careful consideration including the unique service delivery context and the particular challenges faced by geographically ‘thin’ markets (Burgemeister et al, 2022).

5.2. What innovative approaches could be implemented to ensure grant funding reaches trusted community organisations with strong local links?

An increased focus on lived experience perspectives would support grant funding reaching trusted community organisations with strong local links. Paul Born, co-founder of the Tamarack Institute, wrote in his book ‘Breakthrough Community Change’, “In every community, ordinary citizens—individuals, neighbors, and families—are constantly hard at work striving to make things better” (Born, 2023). According to Born, the key to advancing community innovation is linking these ‘passionate amateurs’ with champions from diverse sectors. It is through these diverse partnerships that innovative ideas evolve which have the capacity to effect lasting systemic change. In the case of established community organisations, funding applications which require the insights, collaboration and support of local people with lived experience would encourage stronger relevant local links.

5.3. Which areas do you consider have duplicative funding or gaps you think need to be addressed, and what is the evidence?

The Issues Paper acknowledges the importance of empowering local communities to work ‘in partnership to plan, adapt and make decisions about government-funded services, programs and infrastructure to better meet local needs’ (p.28). We support this approach however acknowledge a potential tension with the increasing ‘push’ to implement evidence-based programs in Commonwealth funded projects. Codesigning local responses that best meet the needs of communities should not be restricted, or constrained, by the need to select from a menu of evidence-based programs of services and supports. This is not to suggest that evidence-based programs have no place. Our organisations have considerable experience in the successful implementation of evidence-based and evidence-informed programs (e.g., Multisystemic Therapy, Functional Family Therapy, Tuning into Kids and the Sanctuary Model, Settle Well Refugee and Asylum Seeker program). Funding should encourage CSOs

to design, develop and evaluate programs that respond to local needs and address known and emerging service gaps.

We have developed ongoing research and evaluation programs with a range of universities in order to build the evidence base of 'what works for whom'. Of equal importance is the need to invest in strong implementation science approaches to embedding best practice. MacKillop Family Services and CCVT have developed a range of strategies to implement and sustain quality programs and measure outcomes not just outputs. The importance of building relationships with academics and researchers in order to break down the silos of practice, policy and research cannot be overstated.

Our area-based programs have reached across sectors, within for example healthcare, housing and justice in order to better meet the mental health and safety needs of our clients and to provide a more comprehensive service. The community sector cannot adequately meet the needs of vulnerable clients without a strong commitment to partnering with other sectors and building flexible and innovative responses to complex human problems, as the barriers and solutions are often dependent on the concurrent actions and expertise of other sectors.

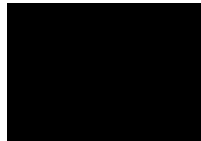
We encourage the government to include adequate investment for rigorous evaluation that contributes to building the local evidence base of 'what works in what context'.

5.4. Where there is a community-led change initiative, could shared accountability to community and funders (government) strengthen service delivery?

Yes, shared community and funder accountability for the achievement of outcomes could strengthen service delivery. An outcomes focus is important, however should not come at the expense of fostering a learning culture.



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