

Organisation name

EACH

1.1 What would a partnership between CSOs and the government that achieves outcomes for Australians being supported by the community sector look like?

Key components of a partnership between CSOs and government would include:

Shared Vision: A common understanding of community needs and the desired outcomes, with aligned goals to ensure a clear and shared vision.

Open Communication: Effective communication is vital. Regular meetings, feedback channels, and transparency foster trust and the exchange of creative ideas. Both parties should be receptive to feedback and open to modifying their strategies.

Resource Allocation: Adequate funding and resources are crucial. Governments can provide financial support and infrastructure, while service organisations bring expertise, local knowledge, and boots-on-the-ground capabilities. It is critical that services receive CPI increases as a minimum, to reflect increasing costs but in addition services are constantly asked to address an ever-expanding range of standards and other compliances/reporting for which there is no funding.

Data and Research: Collaboration should be data-driven. Both partners should share data on community needs, progress, and results. This enables evidence-based decision-making and the adaptation of strategies as necessary.

Innovative Grant Structures: Traditional grant structures can be rigid and slow. Collaborative partnerships can experiment with more flexible funding models, such as pay-for-performance or outcome-based grants, which reward effective service delivery.

Capacity Building: Government agencies can help service organizations improve their capacity, whether through training, technical assistance, or access to networks. This strengthens the organisations and enhances their ability to innovate.

Evaluation and Impact Measurement: Rigorous evaluation methods should be established with adequate funding to measure the effectiveness of programs. This ensures accountability and identifies what works best for the community

Community Engagement: The community's active involvement in program design and decision-making is essential.

1.2 How can CSOs and government streamline the sharing of information, particularly through utilising technology to effectively engage, distribute, share, influence and inform in a timely and efficient manner?

Government can streamline information sharing with community service organisations, even when they lack financial resources, by leveraging technology and implementing cost-effective strategies. These may include:

Digital Platforms: Establishing a secure and user-friendly online platform or portal where community service organisations can access information, resources, and updates. This eliminates the need for expensive physical meetings and facilitates real-time information sharing.

Webinars and Virtual Meetings: Conduct webinars and virtual meetings to disseminate important information and updates. These platforms are cost-effective and ensure timely communication without the need for in-person gatherings.

Communities of Practice should be funded to support capacity building with various communities

Collaborative Tools: Implement collaborative tools like Google Workspace or Microsoft Teams, which allow document sharing, real-time editing, and instant communication, making collaboration efficient and cost-effective.

Community Partnerships: Facilitate partnerships with technology companies that offer free or subsidized access to technology solutions. This can alleviate the financial burden on community service organisations.

Training and Support: Offer training and technical support to help community service organisations effectively use technology tools. Government agencies can provide resources and affordable training options.

Information Packaging: Condense information into easily digestible formats like infographics, videos, or audio recordings, which are not only engaging but also more affordable to produce and share.

By embracing these technology-driven approaches and ensuring that community service organisations have access to the necessary tools and training, government agencies can efficiently engage, distribute, share, influence, and inform in a timely and cost-effective manner, even when organisations have limited financial resources.

1.3 How can government ensure the community sector, including service users, and those not able to access services, have an opportunity to contribute to program design without imposing significant burdens?

Ensure that community service organisations representing marginalised or underserved populations have a voice in program design requires government to adopt inclusive and flexible strategies, without imposing significant burdens. These may include:

Online Platforms: Establish user-friendly online platforms for feedback and suggestions. Many marginalized groups may have easier access to the internet, and this approach allows for asynchronous contributions, reducing the burden of real-time participation.

Pre-tender Engagement: Ensure that stakeholders are engaged prior to the commencement of the tender process so that their views inform program design.

Community Liaisons: Appoint community liaisons within government agencies who act as bridges between the community organizations and the program designers. These liaisons can ensure that the voices of marginalized groups are heard and considered.

Consultation Funds: Allocate small grants or consultation funds to community service organisations, enabling them to conduct community surveys, focus groups, or engagement activities. These funds can help cover the costs of involvement.

Cultural Competency Training: Train government staff in cultural competency to better understand and respect the needs and concerns of different community groups. This can foster a more inclusive and supportive environment for community input.

Clear Communication: Ensure that the objectives, expectations, and potential impact of community input are clearly communicated to community service organisations to manage their expectations effectively. Government should commit to the use of the new ISO Plain Language Standard as a minimum requirement for the construction of documentation and messaging.

By implementing these measures, government can facilitate meaningful community input in program design without imposing significant burdens.

2.1 What would adequate and flexible funding look like?

Government grants to community service organisations can ensure adequate and flexible funding that accurately reflects the real cost of service delivery through several key strategies. Firstly, grant programs should be designed with a clear understanding of the operational expenses and specific needs of these organizations. This entails conducting comprehensive assessments of service costs, including staff salaries, facility maintenance, program materials, scheduled Award increases, CPI and administrative overhead.

Unrealistic ceilings on administrative costs (i.e 10%) directly contribute to poor quality of services as agencies seek to recoup funding in other areas. Competitive tendering also forces services to try to underbid each other which creates issues in relation to budget items (e.g staffing). For example, a service will budget for a manager at a grade that is not suitable for the position in order to employ more FTE staff, in an effort to be more attractive to the funder.

Contracts often specify unrealistic targets in relation to client outputs and outcomes that impact on the quality of service provided

Secondly, governments can implement a flexible grant allocation system that adapts to the unique requirements of different organisations and the communities they serve. This might involve a tiered funding approach, allowing for variations in service size, geographic location, or service complexity. Organisations should be able to apply for grants tailored to their specific objectives.

Furthermore, regular cost-of-living adjustments and inflation indexing should be incorporated into grant programs to keep funding in sync with rising operational expenses. This ensures that organisations can maintain service quality and meet increased demands without compromising their financial stability. In addition, grant oversight and reporting mechanisms can be streamlined to reduce administrative burdens on service providers, allowing them to focus on service delivery

2.2 What administrative and overhead costs are not being considered in current grant funding?

When funding community service organisations, it's crucial to consider various administrative and overhead costs to ensure their effective operation and program delivery. These costs include:

Salaries and Wages: Funding for staff, including program managers, administrative personnel, and support staff, is essential for the day-to-day functioning of the organization.

Rent and Facilities: Costs associated with renting or maintaining office space, program facilities, and utilities are critical to enable services.

Utilities and Maintenance: Expenses for electricity, water, heating/cooling, and maintaining the physical infrastructure are necessary for a safe and functional environment.

Technology and Equipment: Investments in computers, software, office equipment, and communication tools are essential for data management, reporting, and effective program implementation.

Supplies and Materials: Costs for office supplies, program materials, and other consumables are required to support daily operations.

Insurance and Legal Fees: Protecting the organisation through liability insurance and legal counsel is a vital part of overhead expenses.

Training and Development: Ensuring staff receives adequate training and professional development is essential to maintaining high-quality services.

Brokerage: Often clients require items and services that can't be sourced via other means.

Marketing and Outreach: Funds for marketing, outreach, and community engagement help promote the organisation's services and attract hard to reach communities.

Financial Management: Costs related to financial oversight, audits, and bookkeeping are crucial for fiscal responsibility.

Compliance and Reporting: Expenses associated with meeting regulatory requirements and reporting obligations are part of responsible administration.

Indirect Costs: These encompass costs that are not easily attributable to a specific program, such as shared administrative staff.

2.3 How are rising operational costs impacting the delivery of community services?

Rising operational costs can significantly impact the delivery of community services in several ways. When the operational expenses of community service organisations increase, the available budget for core programs and services is reduced. This can lead to:

Reduced Service Quality: With limited funds, organisations may have to cut back on essential resources, staff, or training, compromising the quality of services provided to the community.

Service Cutbacks: Rising costs may force organisations to reduce the scope or frequency of services, limiting their ability to reach as many people or address critical community needs effectively.

Increased Fees or Charges: To cover rising operational expenses, organisations may have to charge higher fees to clients or seek additional funding from beneficiaries, potentially making services less accessible to those in need.

Staffing Challenges: Limited budgets may result in difficulty attracting and retaining qualified staff, affecting the organisation's ability to deliver services with the necessary expertise and continuity. This is particularly evident in regional and remote communities. Often, tenders/grants specify unrealistic staffing profiles. There is little to be gained from specifying a model if there are shortages of staff in a particular region. An example is where funding bodies upgrade from case management models to clinical models. A new provider is awarded a grant, but then is unable to staff the model.

Resource Allocation: Organisations may be forced to allocate a larger portion of their budget to overhead and administrative costs, leaving less for direct community services.

Funding Instability: Fluctuating operational costs create financial instability, making it challenging for organizations to plan and execute long-term programs effectively.

Impact on Sustainability: Increased operational costs strain the financial sustainability of community service organizations, potentially leading to program closures.

2.4 What have been your experiences with and reflections on the supplementation and change to indexation?

Our experience is that many Federally-funded programs/services do not incorporate CPI. This has a cumulative impact over time that undercuts sustainability and/or puts downward pressure on the quality of staff able to be recruited as well as the quality of the service which can be assured.

Award changes, Long Service Leave portability changes and other similar variations are rarely adequately provided for. Occasionally these variations can occur mid-contract and can often have retrospective components attached. If forward provision cannot be made for them, retrospective payments should be considered.

2.5 How can CSOs and the department work together to determine where funds are needed most to ensure equitable and responsive distribution of funds?

Not-for-profit organisations and government can collaborate effectively to determine the equitable and responsive distribution of grant funds through a range of strategies:

Needs Assessment and Data Sharing: Government agencies and nonprofits can share data and insights about community needs and challenges. Regular assessments and surveys can identify where grant funds are needed most, ensuring that resources are directed to the areas with the greatest impact potential.

Collaborative Decision-Making: Establishing advisory boards or committees with representatives from both sectors can provide a platform for open dialogue, decision-making, and the collective allocation of grant funds. This ensures diverse perspectives and equitable distribution.

Transparency and Accountability: Governments and nonprofits should maintain transparent grant application and evaluation processes. Clear criteria and guidelines for fund allocation, along with public reporting on outcomes, can build trust and demonstrate accountability. Direct approaches should be avoided to reduce nepotism. This is particularly evident where services are approached to "pilot" a model and the model goes out to tender with the participating agencies in the box seat for the program roll-out. Another example is closed tendering whereby agencies are locked out of bids, sometimes for decades even when programs are underperforming.

Capacity-Building Support: Collaboration can extend to capacity-building initiatives where government agencies offer technical assistance, training, and resources to strengthen the capabilities of nonprofit organisations, enabling them to better serve their communities.

Flexible Funding Models: Governments can adopt flexible funding models that allow nonprofits to adapt to evolving community needs, ensuring grant funds can be reallocated as circumstances change.

Community Engagement: Involve the community in grant decision-making by seeking input from beneficiaries and stakeholders.

2.6 How can government streamline reporting requirements, including across multiple grants, to reduce administrative burden on CSOs?

Streamlining reporting requirements across multiple grants to reduce the administrative burden on Community Service Organisations (CSOs) is essential to optimise their efficiency and impact. The government can adopt several strategies to achieve this:

Standardised Reporting Formats: Develop and implement standardised reporting templates and formats that can be used across various grants. This simplifies the process for CSOs by reducing the need to create different reports for each funding source.

Consolidated Reporting: Encourage CSOs to provide consolidated reports, where applicable, that cover multiple grants. This approach reduces redundancy and minimizes the time spent on duplicative reporting.

Single Point of Contact: Appoint a single point of contact within the government who can coordinate reporting requirements and act as a liaison between CSOs and various funding agencies. This helps clarify expectations and reduce confusion.

Risk-Based Reporting: Implement a risk-based approach to reporting, where CSOs with strong track records and minimal risk factors face lighter reporting burdens. This allows resources to be allocated where they are most needed.

Technology Solutions: Invest in user-friendly reporting platforms and data management systems that enable CSOs to input data once and share it across multiple grant applications. Automation can significantly reduce administrative efforts.

Capacity Building: Provide CSOs with training and resources to enhance their reporting capabilities, ensuring they can meet requirements efficiently.

By implementing these measures, the government can ease the administrative burden on CSOs, allowing them to focus more on their mission and service delivery while ensuring accountability and transparency in the use of grant funds. This, in turn, promotes greater efficiency, effectiveness, and sustainability in community service initiatives.

3.1 What length grants are CSOs seeking to provide certainty and stability for ongoing service delivery?

The length of government grant funding agreements has a significant impact on Community Service Organisations (CSOs) and their ability to fulfill their missions effectively.

Short-Term Agreements (1-2 Years):

Short-term grants can create instability for CSOs. These organisations often require longer planning horizons for their programs, staff retention, and sustainability. With short-term funding, we find it challenging to invest in capacity building, infrastructure, or innovation. It can lead to a continuous cycle of seeking new funding, diverting resources from service delivery to grant writing, and increased administrative burden.

Medium-Term Agreements (3-5 Years):

Medium-term agreements provide CSOs with a more stable funding environment, allowing for better program planning, staff retention, and the ability to make strategic investments. They can also build stronger partnerships and collaborations, knowing they have a reliable source of funding for several years. However, they may still face challenges with long-term sustainability and financial instability.

Long-Term Agreements (5+ Years):

Long-term agreements are the most beneficial for CSOs. They enable organisations to focus on long-term impact, engage in capacity-building activities, and plan for sustainable, evidence-based programs. These agreements reduce the administrative burden associated with continuous grant-seeking efforts, fostering organisational stability and innovation.

The length of government grant agreements significantly influences CSOs' stability, planning capabilities, and overall effectiveness. Longer-term agreements are generally more favourable as they can better fulfill their missions and create lasting community impact.

Re-tendering: It is accepted with all tenders that government has the responsibility to go back to the market periodically. CSO would value forward notification of at least 12 months of pending re-tendering.

3.2 What timeframes should the government aim for, at a minimum, to provide final outcomes on grant variations/extensions before the current grant ceases?

The timeframes associated with variations or extensions to government grant funding can have a substantial impact on staff recruitment for community service organizations (CSOs) as they approach the end of a current grant period.

Short Notice (1-3 months): When grant extensions are provided with very short notice, CSOs may face difficulties in recruiting and retaining staff. The uncertainty of funding beyond the current grant period can make it challenging to both retain existing staff and attract new talent, especially for specialised or senior roles. Existing staff may start looking for more stable job opportunities, creating instability within

the organisation. The HR notice period may have already been commenced with staff as per their employment contracts which adds to the instability of the workforce.

Medium-Term (6-12 months): Medium term notice provides more stability and predictability, making it easier to recruit staff. CSOs can confidently hire and onboard new personnel, knowing that the organization has a reasonable timeframe for program continuation. However, the uncertainty beyond the extended period may still affect long-term staff retention.

Long-Term (1+ years): Long-term notice offers the most favourable conditions for staff recruitment and retention. CSOs can strategically plan for staff needs, invest in talent development, and attract experienced professionals who are more likely to commit to the organisation. Long-term extensions reduce turnover, foster staff loyalty, and enhance program continuity.

In summary, the timeframes associated with variations or extensions to government grant funding directly CSOs. Longer extensions provide CSOs with the stability needed to attract and retain talent, while short-notice extensions or uncertain funding scenarios can create challenges in recruiting and retaining qualified staff, potentially undermining the organization's ability to deliver critical community services effectively.

3.3 What funding flexibility do CSOs require to enable service delivery and innovation?

Grant funding linked to outcomes, rather than outputs, empowers community service organisations to deliver innovative services with a more significant community impact by fostering a results-driven approach. When grants are tied to outcomes, organisations are motivated to focus on achieving meaningful and sustainable changes in the communities they serve, rather than simply meeting predefined activities (outputs). This shift encourages innovation in several ways:

Flexibility: Outcome-focused grants allow organisations to adapt and refine their programs based on what works best to achieve the desired results, encouraging experimentation and creative problem-solving. There also should be more flexibility in terms of supporting organisations to design solutions to challenges. Many opportunities are preconceived in terms of model design prior to the tender process.

Accountability: Grant recipients are held accountable for producing measurable, positive outcomes, which encourages efficient resource allocation and the continuous improvement of services.

Collaboration: Organisations may collaborate more effectively with other stakeholders, pooling resources, and expertise to maximize the likelihood of achieving outcomes, thereby expanding the scope and reach of their services.

Long-term Impact: By focusing on outcomes, grant funding encourages organisations to consider the long-term consequences of their initiatives, driving solutions that address root causes and create lasting change in communities.

Learning and Adaptation: An outcomes-based approach promotes a culture of learning, where organisations gather data and feedback to refine their strategies, enhancing their capacity for innovation and improvement.

Grant funding tied to outcomes incentivises community service organisations to think creatively, invest in long-term solutions, and work collaboratively, ultimately leading to more innovative and impactful services that address the real needs of the community.

3.5 How can government improve the variation process, with consideration that CSOs must demonstrate alignment with the grant agreement and provide evidence of value for money outcomes?

CSOs will often generate great outcomes by varying elements of the agreed service model. They discover that some componentry is more beneficial than others and some parts should be actively minimised – this is de-facto action research and ought to be valued by a funder. If supported this will necessitate ongoing open dialogue and a preparedness to vary the reporting and acquittal process to mirror the outcomes being achieved.

4.1 How can the government ensure opportunities are available for new and emerging organisations to access funding?

It is not unusual for some contracts to sit with CSOs for a decade or more without being tested in the market. This practice enhances the likelihood of creeping mediocrity. While we are supportive of extended contracts we believe that all programs should be subject to a refresher and accountability process.

The alternative to regular re-tendering (or an alternative method of funding allocation) is using a raft of rigorous outcomes (not outputs) assessments with CSOs, which should include the service-user voice. Underperforming CSOs should be put on a remediation plan. After reasonable interventions, underperforming CSOs should relinquish the service and it should go to market.

4.3 How could larger CSOs support smaller CSOs? What are the barriers to providing this support?

Large CSOs can play a pivotal role in supporting smaller CSOs in applying for and implementing government grants, fostering collaboration and strengthening the sector as a whole. Here are ways in which they can provide assistance:

Capacity Building: Larger CSOs can offer training and capacity-building programs to help smaller organisations develop grant-writing skills, financial management, and monitoring and evaluation expertise.

Mentorship: Establish mentorship programs where experienced staff from larger CSOs guide their counterparts in smaller organisations through the grant application process, sharing insights and best practices.

Placements: Offering the opportunity for staff to undertake time-limited placements in each other's organisation where one 'shadows' the other in their daily activities

Sharing intellectual property: Larger CSOs can share their own intellectual property for the purposes of tender-writing, process learning and capability-building

Shared Resources: Larger CSOs can offer access to shared resources, such as grant databases, templates, and project management tools, to simplify the application process.

Barriers to this process can be overcome through:

Collaboration: Encouraging a culture of collaboration within the sector, breaking down silos and fostering a sense of unity among CSOs of all sizes.

Communication: Foster open channels of communication, where smaller CSOs feel comfortable seeking assistance and advice from their larger counterparts.

Tailored Support: Recognize the unique needs and challenges of smaller CSOs and provide support and resources that address these specific issues.

Funding: Provide funding to larger CSO's to take on capacity building and mentorship relationships with smaller CSOs.

In this way, larger CSOs can provide valuable support to smaller CSOs, strengthening their ability to access and effectively implement government grants, and collectively, they can address systemic barriers

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

Place-based approaches to community services focus on addressing the specific needs and characteristics of a particular geographic area. These approaches offer several advantages: Place-based strategies are highly tailored to the unique needs and challenges of a specific community, leading to more effective and relevant interventions.

They empower local residents to take ownership of the solutions, fostering a sense of community engagement and self-determination.

These approaches consider the interconnectedness of issues in a given area, allowing for comprehensive, multi-sectoral interventions.

They encourage collaboration and coordination among local service providers, reducing duplication and improving efficiency.

Place-based strategies can foster lasting change by addressing underlying social determinants of issues, which can lead to sustainable improvements.

However, there are a number of barriers to place-based approaches in community services including:

Fragmented services in the community which hinder coordination and collaboration.

The identified 'place' may be either too large or too small, triggering viability issues

Insufficient funding and resource allocation can impede comprehensive community development efforts.

Resistance to change from traditional service models.

Inadequate data at a local level can hinder informed decision-making.

Ensuring genuine community participation and leadership.

Political and funding cycles which often prioritise short-term results over long-term community transformation.

Measurement difficulties including defining and measuring success in complex, multi-faceted initiatives.

These approaches may not be easily replicable in different contexts, making it challenging to scale up successful models.

In summary, place-based approaches can be highly effective in addressing community needs, but they must be implemented with consideration of potential disadvantages, including resource allocation and scalability.

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

Funding smaller organisations to implement community services can have disadvantages, including limited capacity and expertise to scale services effectively, and uneven outcomes.

Our experience is that initiatives need to be delivered on a scale that will create impact. Funding larger organisations to implement community services can have several advantages, including economies of scale, established infrastructure, and greater administrative capacity. Large organisations often have more resources to efficiently deliver services, conduct rigorous monitoring and evaluation, and manage complex projects. They may also have better access to diverse funding sources and partnerships, facilitating sustainability. Additionally, their experience and expertise can lead to more comprehensive

and specialised services.

However, it's essential to strike a balance and ensure that smaller organisations aren't overlooked, as they often have strong community ties and the ability to address niche or localised needs. Encouraging and facilitating partnerships between smaller and larger organisations can harness the strengths of both, optimising resources and ensuring a well-rounded approach to community service delivery.

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

Being a provider of services like Alcohol & Other Drugs, Mental Health, Primary Health etc which are funded by both Federal and State budgets it is clear that there are missed opportunities for collaboration to facilitate complementarity of funding.

Some years ago when the PHNs were first funded there was substantial talk about dialogue between the two domains, the result of which would be co-funded programs. We work with multiple PHNs and see little evidence of this work progressing. If this is happening it would instil great confidence in CSOs if the evidence could be shared and the perception undercut that collaboration is not happening.

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

We believe that this would represent a high watermark in accountability. Beyond the fact that it is their taxes funding the work, shared accountability would strengthen the perception that governments listen and that they act on what they have heard. Shared accountability would lift the performance and expectation of all parties involved as well as generate greater creativity from community if they felt their voice was valued.

NOTE: it would be important to listen to the community about who they would like CSOs and government to be accountable to them – we might hear some surprising answers

6.3 What does success look like?

Success will be when:

- We have moved to outcome measurement
- When evidence sits behind everything which is funded (and the evidence is provided to CSOs and community)
- When funding reflects the true costs of providing services
- When contract under-performance is addressed and remediated in a reasonable timeframe
- When community reports that they are getting the services they need, and that these services are generating the outcomes they were commissioned to provide
- When Federal and State funding is coordinated to generate aligned programs