

RESPONSE TO ISSUES PAPER

- DESIGN AND ADMINISTRATION OF COMMUNITY SERVICE GRANTS

Cire Services Inc. is one of the largest and most reputable not-for-profit organisations in the Yarra Ranges in Melbourne's out east with an increasing presence in other LGAs including the Shire of Cardinia and City of Casey.

A registered charity, we provide flexible learning opportunities, education and training and a depth and breadth of innovative and grassroots community programs and services to help meet the needs of, and empower, all those within our reach. Our goal is to help individuals be their best, particularly those experiencing socio-economic disadvantage and marginalisation, and in doing so, help strengthen families and communities.

Many of the towns in our reach, particularly in the Yarra Ranges/Upper Yarra are on the lower percentile of the SEIFA scale.

Employing approx. 270 people across multiple sites our core operations are Cire Community Hubs, Cire Early Learning delivering long day care with integrated kindergarten programs and sessional kindergarten and out of school hours care; Cire Community School for at-risk youth; and Cire Training, our award winning registered training organisation.

Most of our revenue is in tied government funding so we rely heavily on external sources to deliver programs and services to address identified needs within the communities we serve.

Given the diversity of our operations and ongoing need for funding, we are very familiar with the grant space and have experienced the challenges and relate to the areas of focus of the *Issues Paper – A stronger, more diverse and independent community sector*.

We believe the following should be taken into consideration to ensure continued delivery of relevant services that improve the wellbeing of individuals and families in Australian communities:

- Some form of government contingency fund to help offset unanticipated escalation in costs for funded projects. We were extremely fortunate to receive a \$2m through the Victorian State Government and Victorian School Building Authority (VSBA) for a new early years learning hub but were "caught" by the unprecedented rise in building costs and materials. The cost of the project has blown out from \$4m to more than \$6m, doubling our co contribution from \$2m to \$4m to make up the shortfall. The amount available for the same grants program in the next round doubled to \$4m. While this funding is through the State government, it is an example of how financially vulnerable we can be in unprecedented times
- Greater flexibility in how/when grants are spent. Sometimes it is many months between application submission and announcement of outcomes/payment of grant. If successful, the original proposal may need updating to meet needs and achieve anticipated outcomes. Also it can take some time to organise/book certain services/resources to deliver the project. The process of applying for a variation further delays delivering support when/where most needed and places enormous pressure on the project lead.
- When a grant covers multiple financial years, payments would better align with Accounting standards if they were spread over the grant period rather than a high percentage being paid at the start. This would better reflect income and expenditure.
- Very clear objectives/outcomes in the service agreement so that when allocating income in Cire financial reports it can be easily tied back to outcomes and readily identifiable.

- It is imperative that grant recipients are accountable for grant expenditure, however, the documentation and proof of payment required for some grants is extremely time consuming for already time poor stakeholders. So much so that for one grant opportunity we have decided not to apply again because the acquittal process far outweighs the value of the grant. In many cases the process needs to be simplified and more streamlined.
- The Yarra Ranges is considered part of metro Melbourne but only 3% of our population is considered urban. As a result, we are not eligible for some grant opportunities for regional/rural areas that would greatly benefit some of our communities. There needs to be more flexibility in how metro is defined and how online applications are structured with only drop down options for required fields without provision for explanation. People tend to move further out from larger cities like Melbourne because of more affordable housing etc.

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