

Community Sector Public consultation
Community Cohesion Branch
Department of Social Services

3 November 2023

**Submission in response to the
*Stronger, more diverse and independent community sector Issues Paper***

The Strengthening Communities Alliance is a network of organisations which is committed to creating positive social change by taking a place-based and whole-of-community approach to address the systemic drivers of disadvantage in local communities. Our members are 54 Reasons, BaptistCare, Jesuit Social Services, Key Assets Australia, Mission Australia, The Smith Family, United Way Australia Uniting NSW.ACT and Vinnies NSW.

Like your Government, the Alliance and its member organisations are all committed to place-based work and to seeing it scale into more communities and become more sustainable. Our commitment to place-based work and belief in its effectiveness in tackling disadvantage is such that, in many cases where no government funding has been made available to support certain communities, we have ourselves sourced philanthropic contributions and/or dedicated significant funding from our own organisational reserves to invest in place-based approaches.

We commend the Australian Government on the release of the *A stronger, more diverse and independent community sector Issues Paper*. We are also pleased to see the reference to our *Strengthening Communities Position Paper*, in which we outline our proposal for creating the national infrastructure needed to scale place-based work including the role of funding processes in facilitating genuine change for the community sector.

We applaud the Australian Government on its support for place-based solutions. Place-based work focuses on building strengths and capacities in communities and has led to positive outcomes in many regions, including some where traditional models of service delivery have failed. This approach privileges community voice, action and leadership in creating solutions, and shifts power from centralised institutions towards local communities in the process.

However, we believe that current commissioning and funding processes do not effectively support place-based work.

Short timeframes, for financial and non-financial commitments alike, have consistently been an impediment to place-based work. Long-term, adequate funding is the most

pressing need for the sustainability of such initiatives moving forward. A lack of commitment often manifests as a constant need to reassure funders and identify new sources of funding; it can also break trust and relationships with the community as resources wax and wane.

Sourcing long term capital capable of addressing the level of disadvantage in many communities remains a significant and persistent barrier to change.

Importantly, we need to re-contextualise thinking about funding. There is already significant investment in many communities experiencing disadvantage, but most often its delivery is fragmented, siloed and not in areas that the community wants – usually, more money is not needed, but rather better design and delivery of existing funds. This design needs to happen in partnership with community organisations and community representatives to ensure that a diverse range of local communities can benefit. Participatory grant-making approaches show promise in this area, and we are also pleased to see this referenced in the issues paper.

To that end, we draw your attention to those elements of our *Position Paper* which are relevant to sections 5.1 and 5.4 of the *Issues Paper*.

In particular, the *Position Paper* identifies multiple barriers to place-based work that relate specifically to points raised in the *Issues Paper*. To address these barriers, the *Position Paper* notes:

- **Long-term commitment, financial and nonfinancial** (see pages 37 to 39): For government commissioners, funding models should match the work that is required, the way it needs to be performed and the realistic timeframes required. Programs aiming to achieve long-term outcomes, including but not limited to place-based community-led initiatives, require long-term funding cycles with appropriate evaluation points along the way, with long-term commitments provided up front.
- **Commissioning and funding of services** (see pages 39 to 40): Co-commissioning processes would allow governments, NGOs, communities and other actors to design and implement new approaches. In some spheres already, including around place-based work, the relationship between governments and service providers is shifting from a funder/provider relationship to a collaborative relationship with shared responsibility for a different way of working with communities. The Alliance seeks this to extend further in both place-based initiatives and beyond.
- **Competition in human services** (see pages 40 to 41): A reduction in competitive approaches – led by government and non-government organisations – will help to transform the human services system and create an environment that supports place-based initiatives and other work with people experiencing disadvantage.

We also draw attention to the Alliance members' commitment to working towards the self-determination of Aboriginal and Torres Strait Islander people in Australia, including through engaging in place-based community-led work that privileges the power of local First Nations communities. The matters raised in the *Issues Paper* should benefit from the views of Aboriginal and Torres Strait Islander organisations. Reforms to develop a stronger, more diverse and independent community sector will not work without actively

acknowledging, valuing and including Aboriginal and Torres Strait Islander communities' ways of operating, including the need for trust building over long timeframes.

The *Position Paper* also notes that, separate to place-based community-led initiatives, many place-sensitive, community-informed but government-led programs support individuals and families within communities. Examples include Communities for Children funded by the Department of Social Services. The Alliance values the place and community focus of these programs, and advocates that such focus should be incorporated into the design of all programs. We recommend that the Federal Government, through the Department of Prime Minister and Cabinet, should work with other agencies, NGOs and community groups to develop guidelines to support commissioners to incorporate place- and community-focused principles into program designs.

We note that there have been developments since the Alliance Paper was released, including the planned establishment of the National Centre for Place-based Collaboration (NEXUS Centre). We encourage the Government to integrate this Centre's work into its response to this consultation, and more broadly to consider our analysis and recommendations in developing innovative new approaches to government funding that will support both short and longer-term reform to the community sector.

Yours sincerely



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on behalf of the Strengthening Communities Alliance:

