A stronger more diverse and independent community sector

Focus areas for consideration

This section is organised around the five focus areas drawn from the government's commitment.

1. Giving the sector the voice and respect it deserves through a meaningful working partnership.
2. Providing grants that reflect the real cost of delivering quality services.
3. Providing longer grant agreement terms.
4. Ensuring grant funding flows to a greater diversity of CSOs.
5. Partnering with trusted community organisations with strong local links.

For each of these focus areas, this section outlines:

· what the department has heard
· what could be considered for each of the focus areas
· questions for stakeholders to consider and provide feedback against.

Feedback on this paper

The department welcomes your feedback on the issues raised in this issues paper. We have developed questions for each of the 5 areas of focus and 2 general questions, which are listed below. Respondents are welcome to respond to some, any or all of these questions. Respondents are strongly encouraged to provide relevant case studies and examples to support their responses.

Questions

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

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

- Government and CSOs value serving people, favouring flexibility and capacity to respond to changing needs within a funding period. This is of particular relevance in Greater Dandenong, a community of substantial cultural diversity and ongoing migrant settlement, which faces the challenges of the lowest income levels in metropolitan Melbourne, the highest unemployment rate in Victoria, unfavourable educational outcomes, a substantial rate of refugee settlement, and lower levels of mental and physical health than the Victorian average
  o A common set of goals, which aligns with government policy and goals, should be determined by consultation with the community
  o Government listens to the communities' changing needs throughout the funding process and adopts a collaborative approach to funding agreements, ensuring government and community objectives align
- Resources should be provided in a manner that affords latitude for critical judgement and discretion in reaching decisions about economic and social participation for individual communities
  o Government should provide information/data to CSOs which may be shared with communities to assist them to make informed decisions about their needs and funding applications
  o Government may allow for joint applications from different CSOs, in and across regions, encompassing shared learning and cross-pollination of ideas, thereby promoting regional and intersectoral collaboration
- Government should be flexible and willing to test innovative ideas, accommodating the possibility of failure in the exploration of new approaches

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> o Funding should be allocated for piloting of new ideas to generate proof of concept, with the view of wider and longer-term funding of successful approaches. Failure to prove concept though, should not jeopardise future funding applications

- Favourable consideration should be given to applications by CSOs that actively engage with the voices of lived experience and are willing to learn and engage in co-design processes

> o To advance this process, the government may supply information on co-design that has been successfully applied in Australia and internationally, which could be applied in a social context in Australia
>
> o Where co-design is preferable, assist in capacity-building of organisations to engage in such processes, allowing time for this step as part of the funding agreement

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?

- Utilise the Smarty Grants outcome engine, or an equivalent facility, for outcome reporting on grant rounds
- Implement shared information technology and business systems information across different platforms and devices, as for instance, cloud-based services, web portals, mobile applications, data warehouses, or application programming interfaces
- Establish connections to share information, learning and relationships to work across issues and community boundaries

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?

- Engage with local government to identify organisations which are well connected in the community, to help transmit the voice of the community directly to government decision-makers
- Support organisations to undertake co-design, including sufficient renumeration to engage the community in this process
- Encourage collaborative leadership, bringing people together in constructive ways. To this end, it would be well to design processes to deal with different understandings of the issues and varying degrees of trust, and to create processes which encourage people to work together

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

2.1 What would adequate and flexible funding look like?

- Longer-term funding for at least five years, with longer terms to achieve population-level outcomes
- Consider shorter-term capacity-building funding for smaller CSOs, with a view to the provision of longer-term funding in response to proven success
- Allow for adequate flexible staffing options for different positions by:

> o providing adequate FTE to support the needs of programs, including administration staff
>
> o reducing ratios of clients to casework/employment support
>
> o incorporating funding for volunteer coordinators and other support staff

- Provide at least 20% of the cost of programs to meet the expense of monitoring, evaluation and learning
- Remunerate community participation in co-design, where appropriate
- Provide local place-based grants with corresponding teams to facilitate building better neighbourhoods

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

- Adequate costs of monitoring, evaluation and learning, including the cost of data collection
- Staffing overheads
- Training for staff and volunteers
- Onboarding costs of volunteers
- Variable costs, such as utilities

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

- Understaffing of service provision
- Difficulty retaining staff due to short-term funding, burn-out from an overburdened system
- Challenges in attracting staff owing to absence of long-term security and ongoing roles, and part-time positions
- Higher variable utility costs obliging organisations to cut other services
- Fewer supports for volunteers and resources for their recruitment

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

N/A

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

- Engage with local government community development teams to better understand community needs
- Create a common agenda and commit to co-design with the community, including consideration of lived experience

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

- Employ a single platform for reporting, such as Smarty Grants
- Streamline with State and local government efforts to assemble and share data
- Establish a common set of measurements to facilitate reporting across levels of government

3. Providing longer grant agreement terms

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

- At least five years, with funding for programmes intended to accomplish population outcomes not expected to attain their outcomes until the ten-year mark
- Iterative process allowing for pivot and change during funding periods, to respond to evolving needs

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?

- If an iterative process is incorporated into funding agreements and reporting, extensions and variations would arise throughout the life of the grant. Therefore, three months prior to grant conclusion would be opportune for all parties to make final preparations

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- This could also include the possibility of an extension to the grant, in response to the success of a program, especially where it demonstrated the favourable impact of a new or innovative approach

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

- Incorporate learning loops into reporting mechanisms, allowing for adjustments during the life of a funded program
- Include allowance for extra time to engage with community in co-design processes, acknowledging that a learning process may be entailed for the community, to enable residents to participate in the design of a program
- The ability to outsource work to smaller CSOs, if feasible and applicable to the prevailing circumstances

3.4 What flexibility is required by CSOs in acquittal processes to support and encourage sector innovation?

- Allow for supporting evidence in multiple formats: documents, sound recordings, video and social media

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?

- Encompass flexibility in the grant agreement, to permit variation in CSOs in accord with circumstances relevant to the attainment of outcomes
- Incorporate a notification period for variations, enabling multiple formats for variations to be presented

4 Ensuring grant funding flows to a greater diversity of Community Service Organisations

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

- Work with local government to better understand emerging organisations and to disseminate information through local networks

4.2 What programs, supports and information are already available for smaller CSOs to help build capacity of the organisation? Are these working?

- Smaller CSOs may be able to access capacity-building grants through local government
- Support smaller CSOs through neighbourhood houses and State Government to enhance capacity, strengthen governance structures and improve grant writing capability

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

- Larger CSOs could support smaller ones, sitting on boards to guide, and impart experience in, governance, and to support volunteer recruitment
- Barriers include the real or perceived amount of work conducted by large CSOs. In particular, large CSOs often make referrals to smaller ones, thereby generating tension where smaller CSOs perceive that a larger organisation is not discharging its responsibilities
- Clearer communications between large and small CSOs should be established, as referral pathways are not always clear, and expectations imposed on both small and large CSOs are often unrealistic
- Smaller CSOs often feel that the role they play in the community is overlooked or depreciated
- The competitive nature of funding has impeded collaboration by generating tensions between CSOs, which conclude – whether in reality or mere perception - that funding decisions are inequitable

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5. Partnering with trusted community organisations with strong local links

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

- Place-based funding approaches are effective where CSOs and individuals engage in collaborative leadership, as this tends to foster a culture of trust, co-operation, and mutual respect among team members, community and leaders
  The Collaborative Leadership & Governance Series (tamarackcommunity.ca)
- CSOs need to recognise the importance of equity, and to understand, and tailor processes to include, consumers from diverse backgrounds. This is of keen relevance in Greater Dandenong, as the most culturally diverse locality in Australia, with residents from at least 154 different birthplaces and well over half (63.4%) of its residents born overseas.
- Place-based approaches complement the wider scope of services and infrastructure. Such approaches assist government and CSOs to respond to issues and opportunities that are driven by complex, intersecting local factors which necessitate a long-term, cross-sectional approach https://www.vic.gov.au/framework-place-based-approaches

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

- Provide grant funds to local government to finance programs in their communities
- Conduct an expression of interest process within local government, inviting CSOs to apply for funding, based on results of this process
- Create panels constituted of local representatives to help guide the allocation of funding

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

- Duplication of employment services is an issue within Greater Dandenong, as there are over 40 such agencies within the municipality
- Work is siloed, resulting in a pressing need for more generalist social work, including assistance for single people where there is no affordable housing in the municipality, and to support those who require more comprehensive support. This is a concern of keen relevance within Greater Dandenong, where housing costs have doubled in real terms during the past 20 years, only 6.5% of rental properties are affordable to households on Centrelink support, and 41% of single renting households now live below the poverty line
- There are insufficient preventative services to meet the needs of the most disadvantaged in the community. For example, there are currently one month waiting lists to see a financial counsellor in Greater Dandenong – a municipality with the lowest median income level in Melbourne and the highest rate of unemployment in the State.
- In respect of food relief, while there is food in the system, distribution is uneven, food is often not reaching the most vulnerable, and the location of services means a car is often required to access services. Moreover, food relief organisations central to stations and public transport lack storage and transport, and the allocation of food to smaller CSOs is often not equitable
- There is currently no after-hours crisis centre to meet the needs of residents in south-east Melbourne
- Notably, such considerations are of acute concern for the community of Greater Dandenong, with the 2020 Population Health Survey recording that 13% of residents of Greater Dandenong had run out of

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money to buy food at some time during the previous 12 months - the highest level in Victoria and more than twice the state-wide figure of 6%.

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

- Shared accountability strengthens service delivery and suppresses recrimination when programs do not achieve their desired outcomes
- Shared accountabilities also enable community and government to learn from unfavourable experiences and to plan jointly for improvement
- Finally, it prompts both parties to take responsibility for application of equity, thereby allowing residents' voices to be more clearly heard
  [See: https://www.tamarackcommunity.ca/latest/building-trust-and-sustaining-momentum-with-key-stakeholders]

6. General questions for each focus area

6.1 If any, what are the problems or challenges you think have been overlooked?

- Challenges of creating equity in multicultural communities where varied needs across many ethnicities are often overlooked. Within Greater Dandenong, many of the smaller cultural communities, often numbering in the hundreds, face onerous challenges, having limited formal education and fluency in the use of spoken English, and currently experiencing elevated rates of unemployment, pervasive financial hardship, and acute housing and food insecurity. The delivery of appropriate support to such communities requires a strenuous and considered response from local CSOs
- Additional time and resources are required to work alongside community, particularly in Greater Dandenong, which features a wide diversity of languages and culture among its community, and pervasive social and economic disadvantage
- Opportunity to build sustainability into programs through social enterprise funding
- Funding to include assistance for CSOs to build capacity and thereby achieve a sustainable foundation

6.2 What other solutions or changes could also be considered?

- Three levels of government collaborating to create a uniform system of data collection to document the outcomes of grants
- The opportunity for local governments to submit expressions of interest for funding which meets the needs of the communities they represent and support

6.3 What does success look like?

- Population-level changes for the most vulnerable communities
- Communities being empowered to create innovative ideas to help themselves and achieve sustainability

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