

DSS Survey

BaptistCare NSW & ACT

Community Services

6 November 2023

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

A partnership between Community Service Organisations (CSOs) and the Australian government that effectively achieves outcomes for Australians supported by the community sector would involve a collaborative and results-oriented approach. Such a partnership is crucial to addressing the diverse needs of the Australian population to ensure individuals, families, and communities receive the support they require. Diversity and variation across CSO partners should be considered, promoting an understanding that a one-size-fits all approach in service delivery may not always work. Nevertheless, a focus on fostering consistency and standardisation in priorities, data collection and sharing should be a core value in partnership relationships and expectations. Here's what it would look like:

Clear Objectives and Priorities:

The partnership would begin with a shared understanding of the primary objectives and priorities. The government and CSOs would collaboratively identify key areas where community support is most needed, such as addressing some of the areas of relevance identified in the Stronger More Diverse Independent Community Sector Issues paper. This alignment ensures that efforts are directed toward common goals.

An ideal partnership between CSOs and government would be characterised by strong and effective alignment on values, strategy, and impact measurement. This would also include a robust and respectful internal and external communication between all parties.

Funding and Resource Allocation:

Adequate and sustainable funding is essential for the success of this partnership. The government's commitment to provide consistent, long-term (5 year) funding to CSOs, will allow for CSOs to plan and implement programs effectively. Resource allocation should be based on the identified priorities, local needs and should primarily be focused on prevention and early intervention as a population health approach, not a tertiary or reactionary approach.

Data Sharing and Research:

To drive evidence-based decision-making, the use of data to inform social policy, and facilitate systems change on complex social issues, the partnership would involve data sharing and research collaboration. This would enable the government and CSOs to collect, analyse, and share data to measure outcomes, identify trends, and adapt strategies collaboratively. The integration of performance-based contractual obligations, linked data, particularly in the utilisation of administrative data, and collaborative data sharing, would yield significant advantages not only for CSOs and government bodies but, of paramount importance, beneficiaries themselves. Additionally, this would ensure both agencies and beneficiaries are focused upon the same data for decision making.

The utilisation of streamlined data entry systems with adequate training, information and resources supported by government is key in ensuring there is a single source of truth that can be drawn upon. This would require support at the federal level to ensure local, state and nationwide consistency, data inputs and evaluation that can not only be linked but utilised at all levels for continuous improvement, informed decision making and collective responses. To foster a successful partnership between CSOs and the government that delivers desired outcomes for Australians, garners support from the community sector, and ensures the effective collection of relevant data, it's essential that the government implement reasonable compliance measures. These measures should promote consistency across all organisations receiving funding.

These compliance measures can include streamlined data entry systems, comprehensive user training, and readily available resources. Additionally, a unified strategy should be established, allowing all government-funded organisations to contribute to shared goals, data collection, research, and service delivery. An effective model that the government can draw inspiration from is the U.S. Department of Housing and Urban Development's nationwide use of the Coordinated Entry System.

The Coordinated Entry System has proven to be effective in promoting collaboration, data sharing, and a streamlined approach to addressing homelessness. Similar international data systems, such as Canada's Homeless Individuals and Families Information System (HIFIS), have also shown success in this regard. These models provide a framework for organisations to work together efficiently, ensuring that data is collected consistently and can be used to inform policy decisions and improve service delivery for the benefit of the community.

Outcome Measurement:

The partnership would prioritise outcome measurement and performance evaluation. Robust and transparent reporting systems would be established to assess the impact of services provided by CSOs, demonstrating the value of public investment. This could be linked to models such as Social Return on Investment, taking into consideration cost savings for all parties involved.

Communication and Transparency:

Open and transparent communication between the government and CSOs is not only essential for maintaining trust and accountability but also for fostering strong, collaborative partnerships. Regular meetings, progress reports, and clear communication channels play a critical role in ensuring both parties are on the same page.

In an ideal partnership between CSOs and the government, robust internal and external communication is complemented by a deep sense of trust, rapport, and safety. Trust is the foundation upon which such relationships are built, and it's nurtured through open and honest dialogue.

By emphasising trust, rapport, safety, and empowerment within the context of open communication and collaboration, partnerships between CSOs and the government can achieve more meaningful and sustainable outcomes while also strengthening the bonds between the involved parties.

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?

Data Standardisation and Integration:

To ensure seamless data sharing, CSOs and the government should adopt standardised data formats and integration protocols. This makes it easier for different systems to communicate, share information, and update records. Implementing common data standards ensures consistency and compatibility across platforms.

Additionally, it's crucial to highlight the challenges that organisations, including BaptistCare Community Services, face due to the lack of consistent and standardised data collection approaches. These challenges often result in a need to revisit and redesign a significant portion of the work being carried out, which can be time-consuming and resource intensive.

Government taking a leading role in this process would facilitate a standardised framework accessible to all organisations, not just government-funded ones, the sector, and government would experience a paradigm shift in the way information is collected and used. Such a standardised framework and support system would benefit all involved, as it allows for more comprehensive data collection and analysis. This, in turn, provides invaluable insights into areas where service delivery can be improved, ultimately facilitating genuine systems change.

By addressing the challenges of inconsistent data collection and offering a unified approach to data management, organisations can operate more efficiently and make data-informed decisions to better serve their communities. The collaborative effort between the government and organisations in establishing this infrastructure is a critical step toward achieving a more effective and impactful social sector.

Data Sharing Agreements:

Formal data sharing agreements should be established to define the scope, purpose, and responsibilities of data sharing between CSOs and the government. These agreements should also address data ownership, privacy considerations, and compliance with relevant regulations. The protocols should also acknowledge sensitive community member information and protect privacy and confidentiality by de-identifying information.

Additionally, in order to achieve systemic change for individuals experiencing disadvantage, it is essential to emphasise the need for transformative innovations. These changes can profoundly impact the lives of those we serve by creating more equitable and efficient systems.

One crucial aspect of these transformational processes is community-led data sharing. This approach actively involves community members and beneficiaries in the data sharing process. It empowers them to take ownership of their experiences and contribute to the solutions that directly affect their lives. By actively engaging community members in shaping these solutions, data sharing partnerships not only foster a sense of agency and inclusion but also facilitate invaluable insights into the specific needs and challenges faced by those experiencing the disadvantage themselves.

These collaborative efforts not only streamline data collection but also drive the development of more effective strategies for systemic change. By acknowledging the expertise and lived experiences of communities experiencing disadvantage, partner organisations, government, and communities can work together to dismantle barriers and create meaningful and sustainable improvements in service delivery and support systems.

Open Data Initiatives:

Governments can promote transparency and engagement by implementing open data initiatives. By making non-sensitive data publicly accessible, CSOs and beneficiaries can access valuable

information to inform programs, policies, and decision-making processes. These should be provided by contract managers as part of the partnership approach and all should be empowered to support information sharing.

User Training and Support:

Adequate training and support should be provided to both CSO and government staff to maximise the use of technology. Training programs should focus on data security, software usage, and best practices for efficient information sharing.

Feedback Mechanisms:

Establishing feedback mechanisms enables CSOs to provide input and insights into government policies and initiatives. This two-way communication is essential for influencing decision-making and creating effective policies.

Connecting with other providers gives us insights on how we are performing and what can be improved. Internally, this matter was discussed with Funding Arrangement Managers on several occasions, and connecting with similar providers by exchanging information and insights has been beneficial.

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?

Diverse Engagement Channels:

The government should provide multiple channels for engagement, recognising that different people prefer different modes of participation. This may include online surveys, community meetings, focus groups, public forums, and even dedicated phone lines for feedback. This diversification ensures that individuals can engage in a way that is most convenient and accessible to them.

Inclusivity and Representation:

Make a concerted effort to involve underrepresented and marginalised groups in the process. This could involve targeted outreach, partnering with community organisations, and conducting outreach in areas with traditionally limited access to services. Ensure that the design process includes diverse voices and perspectives in a population proportional influence approach.

Feedback Mechanisms:

Create feedback mechanisms that are simple and accessible, allowing people to submit their ideas and opinions without bureaucratic obstacles. Feedback could include email addresses, online forms, or even dedicated phone lines for input. The government can ensure that the community sector have an opportunity to add value to the program design through periodic surveys (biennial) of a cross-section of service providers. Periodic workshops between the government and peak bodies will also be helpful.

Community Liaisons:

Employ community liaisons who can act as intermediaries between government agencies and the community sector. These liaisons can bridge communication gaps, assist with understanding government processes, and facilitate engagement.

Regular Updates:

Keep the community sector informed about the progress of program design and implementation. Regular updates ensure transparency and maintain community interest and involvement.

2) Area of focus: Providing grants that reflect the real cost of delivering quality services

2.1 What would adequate and flexible funding look like?

Adequate flexible funding: Adequate, flexible and sustainable funding is essential for the success of any service delivery. The government's commitment to providing consistent, long-term funding to CSOs allows for them to plan and implement programs effectively. Resource allocation should be based on the identified priorities, local needs and should primarily be focused on prevention and early intervention at a population health approach, not a reactionary approach.

The CSO approach is supported to consider flexible approach to funding such as

- 1) Linked seed funding for innovative ideas
- 2) Research funding to support innovation in service delivery linked to research and practice wisdom
- 3) Evidence based practice support and funding – Funding to ensure adequate outcome measures are in place to measure impact
- 4) Implementation funding
- 5) Monitoring and reporting funding.
- 6) Ongoing five by five funding options for innovative programs that demonstrate adequate Social Return on Investment (SROI) positive percentages.

To hold all of the above within on contract and one application not several application from different sources will engage and encourage CSO flexibility and innovation.

Adequate funding would reduce the competitive nature of tenders and funding applications, move toward a best practice funding. Adequate funding would also include the SROI concept based on impact measures with incentives of the program achieving SROI. Adequate funding covers all costs, of running the service.

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

- Corporate costs
- Administrative costs
- Full cost of service delivery, as organisations are often asked for contributions, in kind, client fees etc.
- Consultation fees
- Research and development costs of moving toward best practice models
- Data collection costs
- Report writing and interpretation costs.
- Management costs
- Management coaching and supervision costs

There is an opportunity for funding to encompass all service delivery aspects and associated costs. While government grants supplement programs, crucial overhead costs like management, property, and staff retention can be overlooked. Addressing innovation efforts and staff costs associated would work to aid CSOs to deliver ongoing programs in a sustainable fashion. This often sits within staff development and training within existing budgets, not taking into account innovation as a

separate funding priority. It is important to note that administrative costs and overheads would vary across CSOs, and therefore would be difficult to define or identify. Clearer definitions and guidelines related to funding can facilitate a more transparent and consistent funding structure that allows for CSOs to focus on their core missions while recognising the significance of all contributing expenses.

It can also be challenging to separate administrative costs from other expenses, particularly for large CSOs. With government recommendations around the standardisation of shared common language as it relates to administrative costs, funding structures would be more consistent and therefore easier to execute. This would lead to more effective allocation of resources, allowing CSOs to focus on their core missions and better serve their communities while ensuring that administrative expenses are fairly recognised as vital contributors to their overall success.

There are also administrative costs associated with the engagement of volunteers. DSS's Annual Volunteer Grant Program partly addresses the need for funding – however, not all volunteer-based CSOs are eligible for funding under this program and the small grant of \$5,000 per project may be a disincentive to many CSOs due to the time and effort needed to manage the grant. The costs often outweigh the benefit of the grant.

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

All expenses are increasing with the increased in cost of living. This includes the

- increase cost of renting service delivery premises
- increase in staff costs which require higher pay to maintain standards of living
- The recognition of staff professional qualifications, standards and professional membership is not matched with other industries

The higher costs represent a real decline in volume of service provision provided.

Rising operational costs are increasingly challenging the future sustainability of programs and services across the sector, leading to the closure of some programs. It is paramount for human and welfare services to provide high quality, person-centred and trauma-informed services with appropriate funds to be able to carry out their work.

There is now a greater need for CSOs to be creative and actively seek opportunities to enhance their service delivery through various means – e.g. by actively seeking partnerships with other providers, streamlining internal systems, engaging volunteers or corporate partners, seeking pro bono opportunities to reduce administration costs.

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

Supplement funds and indexation help toward staff costs which is the largest cost of BaptistCare Community Services' service delivery. Increased funding can add toward staff retention.

Supplementation and changes to indexation have shown that these financial mechanisms play a crucial role in supporting the work of CSOs. The government's efforts to provide supplements are beneficial, however, it's evident that there are areas that require further attention.

Supplementation has been instrumental in mitigating the challenges associated with administrative costs, particularly for larger CSOs. These funds have helped address overhead expenses like management, property costs, and staff retention. However, a more comprehensive consideration of these overheads is needed to ensure that CSOs can operate effectively and sustainably.

Indexation has contributed positively to staff costs, which are often the largest expense in service delivery. Increased funding in this area has helped in staff retention, however, CSOs have quite significant added expenses to ensuring that experienced and dedicated professionals continue to serve in the community sector.

Whilst supplementation and indexation have been valuable, there's room for addressing the complete financial needs of CSOs. It's important to ensure that funds provided align with the diverse and essential costs associated with service delivery, including all overheads, such as innovation efforts and staff retention.

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?

In the pursuit of equitable distribution of funding for CSO programs, it is imperative that the most vulnerable demographics experiencing disadvantage are prioritised. This calls for a data-driven approach that relies on linked data, community-led data sharing, and inclusive processes. The allocation of resources should be guided by the specific needs and risks present in various communities.

Government contract managers and funded agencies can play a pivotal role in this process by collaborating to identify the target audience, demographics, and regional needs. By utilising comprehensive needs assessments that combine data from various sources, we can ensure that service delivery strategies are well-justified and aligned with the unique requirements of each community served.

Furthermore, the concept of a five-by-five-year funding structure can greatly assist CSOs in funding appropriate interventions based on research and best practice models. This approach ensures that resources are channelled effectively to address the most pressing issues and support communities that are most in need. Prioritising funding allocation based on vulnerability and data-driven insights not only promotes fairness but also strengthens the impact of CSO programs on the ground.

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

Consolidate Reporting:

Implement a system that consolidates reporting requirements across multiple grants and tenders wherever possible in order to create a unified reporting structure that encompasses common elements, reducing duplication and the need for redundant data entry.

Data Integration:

Enable data integration between CSOs' internal systems and government databases. When data is automatically transferred, it reduces the need for manual data entry and ensures data accuracy.

Outcome-Based Reporting:

Shift the focus toward outcome-based reporting. Emphasise the results and impact of the programs. This approach allows for more meaningful reporting and reduces the need for extensive process reporting. It would be beneficial for all government funded CSOs to work toward this uniform approach.

Risk-Based Audits:

Employ risk-based audits to reduce the frequency of compliance checks. By trusting CSOs with a proven track record and focusing on those at higher risk of non-compliance, administrative burdens can be minimized.

Simplified Grant Agreements:

Create grant agreements that emphasise clear and concise reporting requirements. This clarity ensures that CSOs understand what is expected, reducing confusion and the likelihood of errors.

Capacity Building:

Offer training and support to CSOs on efficient reporting practices. This can help them develop the skills and knowledge needed to streamline reporting processes.

Feedback Mechanisms:

Establish feedback channels through which CSOs can provide input on reporting requirements. Regular dialogue can lead to improvements that better balance accountability and administrative burden.

Not Reinventing the Wheel:

Draw on existing data collection tools utilised internationally. As mentioned above, the Coordinated Entry System within the US has proven to be effective in promoting collaboration, data sharing, and a streamlined approach to addressing homelessness. Similar international data systems, such as Canada's Homeless Individuals and Families Information System (HIFIS), have also shown success in this regard. These models provide a framework for organisations to work together efficiently, ensuring that data is collected consistently and can be used to inform policy decisions and improve service delivery for the benefit of the community, streamlined funding priorities, and unified data collection and sharing.

3. Area of focus: Providing longer grant agreement terms**3.1 What length grants are CSOs seeking to provide certainty and stability for ongoing service delivery?**

Where appropriate, a grants length should be at least five years with an option of another five years if the CSO and government targets are met. This is important for program development, security for staff and the refinement of quality-of-service provision.

Additionally, outcome measures need to be linked to incentives for the CSO to be granted further funding based upon performance. The incentives could also be linked to Social Return on Investment outcome measures developed in the contractual obligations.

The first five years will be a collective number of grants connected in the one contract for each program area funded; each stage is monitored by milestones and grant monies linked to performance.

- 1) Linked seed funding for innovative ideas – Establish the program.
- 2) Research funding to support innovation in service delivery linked to research and practice wisdom – Anchoring service delivery to evidence-based foundations.
- 3) Evidence based practice support and funding – Funding to ensure adequate outcome measures are in place to measure impact and are in data sharing platforms.
- 4) Implementation funding – Set up, monitoring, supervision and service delivery
- 5) Monitoring and reporting funding within agencies.
- 6) Ongoing five by five funding options for innovative programs
- 7) Incentives based upon SROI outcomes.

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?

12-month time frame for changes that impact on staff employment. A 12-month timeframe will also allow ample time for internal budgets, training and development, staffing contracts, lease agreements, MOUs etc. to be established or renegotiated.

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

See above answers

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

If the structured funding mentioned above is implemented, the grant itself is built to provide flexibility within the first five years. The subsequent five years serve as ongoing service delivery and allow time for effective monitoring and evaluation with impact results.

The acquittal process should link outcomes to dollars, with incentives if independent measures report target SROI's and other measures meet milestone deadlines and outcomes match predictions.

In addition, developments in the grant acquittal process have already been implemented by other funders. Some philanthropic organisations such as the Whitlam Institute have increased collaborations and conversations with service providers by moving away from narrative acquittal reports – e.g. by engaging in a minimum of two phone calls or site visits a year to have conversations with the funded CSO's leaders and staff members. These conversations have helped funders learn more about the projects from the CSOs, which strengthened relationships and collaborations between them. Questions asked include:

What went well?

What challenges did you encounter?

How can we better support your work?

What did you learn that might be helpful to other CSOs?

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?

The grant agreement is usually a standard agreement which reduces variation and reduces value for money propositions. If the variation process is incorporated within a SROI measurement process, the incentive option would greatly assist in the variation process, as the variations must be demonstrated not to diminish the SROI in the long run. In fact, any variation should be accompanied by way of variation which will increase the SROI score.

Most variations are the government catching up on indexation or other expenses that were not originally accounted for in the contract.

4 Area of focus: Ensuring grant funding flows to a greater diversity of CSOs

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

It would be helpful if the government reaches out to recently registered charities/CSOs via the ACNC (*information published on the ACNC Portal) to ensure they are aware of government funding opportunities and suitable funding sources related to their sectors (e.g., Grants Connect; Our Community Hub). This would help kickstart the CSO's diversification of income sources.

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

Existing capacity building grants for smaller CSOs have been effective – e.g. staff training, strategic planning, and program evaluation which help with future sustainability and service innovation. More support for implementation of these grants, and as mentioned previously, government assistance in the facilitation of consistent reporting structures, definitions and shared common language would work to enhance service delivery.

Information sessions and relevant webinars on funding opportunities are already offered to all CSOs (not just smaller CSOs) and are highly effective in supporting CSO needs. Other opportunities that are currently available to all CSOs such as interagency networking groups and regular meetings or networking events with peer organisations are also highly effective.

Phone calls and site visits can go a long way toward establishing partnerships between funders and smaller CSOs which will help facilitate better grant reporting.

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

Larger CSOs can support smaller CSOs through mentoring (formal or informal), partnerships with smaller CSOs to deliver funded projects, or participating in pro bono, short-term projects.

Smaller CSOs can also benefit from enhancing their Board/Management Committee recruitment processes by targeting or headhunting members who have had previous Board experience in larger CSOs.

Barriers to support may include confidentiality issues; ownership of intellectual property; conflict of interest; larger CSOs having insufficient knowledge of the smaller CSOs strategies and services.

5. Area of focus: Partnering with trusted community organisations with strong local links

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

BaptistCare's experience with place-based funding approaches, particularly within BaptistCare Community Services' successful model in Mount Druitt, has been overwhelmingly positive. The Collective Impact model executed there has fostered a sense of community and common purpose among both staff and community members. This approach has significantly improved relationships between community members and partnering organisations. There have been numerous advantages of targeting funding to a specific region and community, which has allowed the Mount Druitt team to provide a more tailored, community-centred response to the unique needs of the area. Engaging local community members and organisations in decision-making processes has led to the identification of priorities and design of programs and services that are precisely aligned with the community's best interests.

This holistic approach has empowered partnering organisations in the Mount Druitt area to address a broad spectrum of interconnected initiatives, spanning from education, to health, employment, housing, and social services. The collaboration fostered among local service providers, government agencies, philanthropic organisations, and other stakeholders has driven comprehensive community development initiatives, with a long-term commitment to sustainable change.

The Collective Impact focus on outcomes facilitates consistent measurement and evaluation on the impact of partnership investments on community well-being. It has allowed for adjustments and improvements over time, ensuring initiatives remain effective and responsive to the community's evolving needs. The flexibility inherent to this place-based approach has allowed for partnering organisations to adapt to changing local contexts and maintenance of responsiveness to the community's most pressing concerns. However, it's important to note that while this model has been highly effective, it is also resource-intensive and poses some challenges.

Place-based approaches are not suitable for all BaptistCare Community Services sites. Executing place-based approaches often requires CSOs to partner with other organisations to access funding and deliver community outcomes. It is important to note that BaptistCare's Mount Druitt site began in 2017, while other sites have existed for several decades. Aligning varying corporate strategies and funding criteria among partners may highlight conflicting priorities and create business risks for programs that have existed for years. Additionally, smaller CSOs may face disadvantage due to their limited resources and capacity, which could jeopardise their long-term sustainability.

While place-based funding approaches offer significant benefits, including enhanced community engagement and collaboration, they do come with certain challenges and limitations that need to be carefully considered in any implementation or replication process.

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

To ensure that grant funding reaches trusted community organisations with strong local links, innovative approaches can be implemented, building on the principles of place-based funding:

Community-Led Decision-Making:

Empower the local community to actively participate in the decision-making process regarding grant funding. Establish or draw on existing community committees or advisory boards composed of local residents who can identify the most pressing needs and recommend grant recipients.

Localised Grant Application Process:

Develop a user-friendly, localised grant application process. Simplify the application procedure, making it accessible to community organisations. Provide workshops and support for potential applicants to increase their chances of securing funding.

Community Partnerships:

Foster partnerships between grantmaking organisations, government agencies, and local nonprofits to create a consortium focused on local impact. These consortiums can collectively identify and allocate funds to trusted local organizations.

Data-Driven Decision-Making:

Utilise data analytics and local insights to identify organisations that have a strong track record of effectively serving the community. Use metrics and impact assessments to make informed grant funding decisions. And for community organisations that do not have strong data collection and evaluation systems, support them to develop these structures.

Community Nominations:

Allow community members to nominate and endorse local organisations for grant funding. These endorsements can serve as a crucial indicator of trustworthiness and community support.

Peer Review Panels:

Establish peer review panels composed of individuals from trusted local organisations. These panels can evaluate grant applications and make recommendations based on their knowledge of the community and its needs.

Local Community Foundations:

Collaborate with or establish local community foundations that specialise in identifying and supporting local organisations. These foundations can serve as intermediaries between grantmakers and community groups.

Open Grant Challenges:

Launch open grant challenges that invite local organisations to propose innovative solutions to community issues. Use a competitive process to select the most promising initiatives.

Capacity Building:

Invest in capacity-building programs for local organisations and community members, helping them to strengthen their skills and ability to meet grant requirements, thereby ensuring the funding reaches those with strong local ties.

These innovative approaches not only promote transparency and trust but also empower the community to take an active role in directing resources where they are most needed, ultimately leading to more effective and impactful grant funding distribution.

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

Duplicative funding can be observed in various services, particularly in larger urban centres where multiple organisations may provide similar services to similar demographics. Evidence for duplication can be found in service overlap, leading to inefficiencies and resource allocation challenges.

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

Shared accountability between community and funders, particularly government entities, creates a dynamic and mutually beneficial relationship that enhances service delivery. It recognises the importance of involving communities in decision-making, resource allocation, and the evaluation of services. This collaborative approach ensures that services are responsive, efficient, and genuinely meet the needs and expectations of the community, ultimately leading to stronger and more effective service delivery. Shared accountability will strengthen service delivery across the sector. Nevertheless, this will involve collaboration at all levels of government and CSOs.

6. General questions for each focus area

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

Several problems and challenges in the not-for-profit sector have been discussed throughout this submission, including issues related to funding, standardisation and consistency, and the benefits and complexities of place-based funding approaches. However, there are additional concerns that may have been overlooked, which are essential to address.

Volunteer Recruitment and Retention:

CSOs often struggle to recruit and retain volunteers, particularly as volunteer expectations and demographics evolve. Addressing this challenge is vital for maintaining the sector's capacity and effectiveness.

Advocacy and Policy Engagement:

While delivering direct services is vital, the not-for-profit sector also plays a significant role in advocating for policy changes and influencing government decisions. Support for CSOs related to policy engagement and advocacy strategies may have been overlooked.

Diverse Funding Streams:

Relying on a single funding source can pose challenges. CSOs overlook opportunities to diversify funding streams which is a missed opportunity for reducing dependency on one source and enhancing financial sustainability. Support for CSOs in this area would assist in overall sector viability and effectiveness.

Measuring Social Impact:

While there's an emphasis on outcomes-focused funding, CSOs often face challenges in effectively measuring their social impact, which can limit their ability to secure funding and demonstrate their effectiveness.

To ensure the ongoing success and resilience of CSOs, addressing these challenges alongside the previously discussed concerns is essential. Recognising the complexity and diversity of these challenges allows organisations and policymakers to develop more comprehensive strategies and solutions.

6.2 What other solutions or changes could also be considered?

In addition to the solutions and changes discussed throughout this conversation, there are several other critical considerations for further strengthening CSOs and government partnerships. One pivotal avenue is the promotion of cross-sector collaboration, where not-for-profits, government agencies, businesses, and academia come together to leverage their unique strengths and resources. This collaborative approach encourages innovation, fosters the sharing of expertise, and enables the development of comprehensive solutions to address complex social challenges.

Another key area of focus could be the development of standardised outcome measurement metrics and tools, universally accepted within the sector, inclusive of measurement of social impact. Standardisation and education, particularly within the context of social impact, would simplify data collection and reporting processes, enabling organisations to effectively demonstrate their impact and attract funding more efficiently. These considerations reflect the diverse needs and challenges of CSOs and empowers organisations to thrive in an ever-evolving social landscape.

6.3 What does success look like?

Success in the context of government funding relationships with CSOs is characterised by a collaborative, data-driven, and outcome-focused partnerships that lead to tangible improvements in the lives of those experiencing disadvantage. It hinges on the pursuit of systemic change and represents a transformative vision where CSOs and government agencies work together to break down existing systemic barriers and inequities, with a strong emphasis on the importance of government funding.

In forging successful partnerships between CSOs and government agencies, two crucial factors come to the forefront: data-driven decision-making and the empowerment of communities. These elements serve as the bedrock for achieving meaningful change and addressing systemic inequalities. By making data-driven decisions, both CSOs and government agencies are equipped with the insights necessary to assess the impact of their programs and make informed choices about funding allocation. This ensures that resources are channelled where they are most needed, leading to more effective and targeted interventions.

Moreover, successful partnerships thrive when communities are not mere recipients but active participants in the decision-making processes. Their unique insights and experiences are valued, granting them a voice in how resources are distributed, and programs are designed. Empowered communities become partners in the process of change, fostering a sense of ownership and commitment that can drive social and economic progress within their neighbourhoods.

Flexibility and a cohesive structure are fundamental to the success of government funding relationships with CSOs. Communities are dynamic, and their needs and aspirations evolve over time. Hence, a successful partnership prioritises flexibility, enabling both CSOs and government agencies to respond to these changing needs effectively. This adaptability ensures that programs and services remain relevant, impactful, and aligned with the community's evolving goals.

A cohesive structure, on the other hand, facilitates seamless collaboration and communication between CSOs and government agencies. A shared language, common reporting mechanisms, and standardised measurement structures enable all stakeholders to work cohesively. This alignment is vital in avoiding duplication of efforts and ensuring that resources are utilised efficiently, ultimately leading to more significant positive impacts.

Ultimately, the success of these partnerships is best measured by their ability to drive social impact, prioritising the well-being and outcomes of beneficiaries. A successful partnership focuses on improving the lives of those being served and measures its success by the positive changes observed in the community. This emphasis on social impact underscores the partnership's commitment to tangible and meaningful improvements in the lives of individuals experiencing disadvantage.

Beneficiary inclusion plays a pivotal role in this journey towards success. Beneficiaries should not be passive recipients but active participants in community-led data sharing processes and activities. Their strengths, experiences, and aspirations are recognised and leveraged to drive positive outcomes. This approach ensures that the solutions provided are tailored to the unique needs of the community, fostering a sense of empowerment and self-determination.

In conclusion, the success of government funding relationships with CSOs is multi-faceted and dynamic. It is characterised by data-driven decision-making, community empowerment, flexibility, and a cohesive structure, all working in harmony to drive social impact, beneficiary inclusion, and equity. These elements collectively represent a transformative journey toward creating more equitable and inclusive systems and structures, addressing historical inequalities, and actively promoting social and economic inclusion for all members of the community.