Organisation name

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

One of mutual respect and willingness to work together with clients at the centre of the shared objectives.

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?

Government could make provision to pay for co-design from smaller organizations. Many larger organizations do not consider or represent the needs of our smaller rural communities, but the smaller orgs do not have staff or financial resources to contribute to design to ensure their needs are reflected.

2.1 What would adequate and flexible funding look like?

Adequate and flexible funding for CSOs in our rural areas must consider travel, the rural and gender pay gap, and the relative size and capacity of the organisations.
Travel. Cost of travel significantly impacts on rural services in the time spent on travel, burnout of staff, and the financial costs of vehicles. Rural services can't choose to use public transport. Funding applications often don't include the additional travel time…provision is there for 38 hour weeks, not the 50 hour weeks often required.
Pay. There is a disparity in wages with rural Community services traditionally underpaid compared to metro orgs due to scale of funding. Rates haven't kept pace with other sectors leading to loss of good staff-including those moving to NDIS and other contract arrangements for better remuneration. Influx of 'new private providers' into the sector is putting downwards pressure on wages.
There is an expectation that the largely female workforce in the "Caring sector" will work extra and get paid less, which is effectively exploitation of the 'innate caring attributes' on which the sector relies. glass ceiling within organization.
Size matters. Access to funding is inequitable for smaller regions and providers. Bigger is not better!!!!
Unrealistic application and delivery timeframes, application requirements and huge reporting requirements make it difficult for smaller providers to secure funding. With limited time and expertise to put into applications, place based smaller organisations don't have the capacity to get the funds required. Access to services, lack of public transport, thin markets requiring an additional loading for these issues.

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

Costs of contributing to and accessing the evidence base including funding for evaluations, which are required for arguing for project continuation and access to grant opportunities are not being considered. HUGE amounts of money are required to purchase evaluations to gain advantage in future funding applications and ensure quality outcomes for future programs. Small rural organisations do not have equitable opportunity to this expertise.
Applying for government or philanthropic grants takes even more time- with no guaranteed result. Large organisations often have a 'fund raising team' whereas in our smaller rural organisations this role (as well as the collection of data, acquittal, and program reports) rely on the front line workers delivering the service, thus decreasing program delivery to clients. Philanthropics and government funding streams often do not include organizational overheads required for the delivery of a quality program. Many philanthropic funds don't pay for administration and wages and are excessively specific in eligibility criteria.
Small rural organisations are much more likely to only apply for funding for smaller place-based initiatives and avoid the larger contract application processes which are too onerous.
Current government funding mechanisms are biased towards the larger providers, which unfortunately from experience means a loss in the number and quality of services provided in rural communities and the lack of local expertise and community partnerships in developing and delivering those services.
If this work is important it should be funded.

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

COVID19 put greater pressure on small rural organisations with adaptation to technology and increased needs identified for clients with resulting increases in workload to respond to the new way of working. Many smaller organisations have less capacity for IT infrastructure and support often relying on the IT capability of their frontline staff to learn and utilize technology to connect with clients and stakeholders. This was somewhat offset by reduced travel, but post COVID we have added back all the travel and the needs

and expectations remain high. The unmet need is still there and increasing, and what temporary increases in staffing to respond to the pandemic have now ceased. There is still more work to do as a result of COVID!

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?

Rural CSOs need access to free, quality, consistent tools, templates and training to conduct ongoing evaluations that will meet the evidence requirements and give an equitable basis for selection of their applications.
Funding for staffing for the acquittal and reporting processes needs to be included.

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

Length of funding agreements should be at least five years.

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?

6 months minimum to ensure staff retention.

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

Project continuations and access to grant opportunities and embedding project outcomes and quality measures recognised and embedded in funding body expectations.

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

Greater flexibility in grant guidelines for communities to design and address local problems. Those living within target communities are best placed to understand the needs of their community and identify strategies to address those needs. However, most grant opportunities have set outcomes and are very prescriptive and the capacity for communities to identify and design programs to meet those outcomes AND deliver the change they know their communities need is limited.
Outcomes based reporting is 'out of character' for many people in the community sector who try and demonstrate human outcomes in a qualitative outcome framework but funding bodies all want quantitative data. In comparison to metropolitan communities, quantitative data demonstrated in rural programs does not on a superficial level seem to have a large impact, however, qualitative measures demonstrate significant improvement for our smaller communities. Rural communities do provide 'bang for buck' but it may take longer due to factors of scale. Ability for smaller populations to utilise evaluation measures demonstrating a human impact at a local level where the population is so small that percentages are not reportable for privacy reasons would be more appropriate than a cost benefit analysis where we do not have the benefit of scale. Organisations need to demonstrate cost benefit rather than human impact at a local level where the population is so small that percentages are not reportable for privacy reasons. Qualitative approaches such as the Most Significant Change measure for individuals can be effective in demonstrating outcomes, but also require significant inputs and do not meet all current reporting requirements of government funding.

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?

Members cited examples of situations where outcomes could only be measured post- delivery of the program, but funding does not include follow up resources to monitor young people even 6 months later. Services know the benefits are accruing to young people over time but they're not measurable on the spot. The deficit approach inherent in cost benefit analysis does not capture the positive impacts over time for young people, nor even the reduced risk of avoided costs to the system due to the lack of follow up evaluation over time.

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

Project funding periods are often only for the 'project delivery period' and small, new and emerging organisations do not have the staffing capacity, or sometimes expertise, to support the completion of application, acquittal, evaluation and reporting processes, which are considerable.
In order to support new, emerging, and smaller organisations to access government funding, care must be taken to ensure that sufficient capacity is provided to the organisations to complete all financial and reporting responsibilities for the contracted project or service.
A member organisation cited an example where they were funded by the Federal Government to deliver a

limited time project, with reporting and acquittal processes required after the funding date. Financial acquittal and reporting processes took significant time and staffing capacity however were not funded as they occurred after the project completion date.

Collaboration between small local organisations already happens to enable job-sharing and synergy, but the administrative requirements to apply for the additional money or manage multiple funding streams within a small organisation are a huge burden. However, this needs to be streamlined and supported so it can happen more, to ensure sustainability of local workforce.

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

Collaborative arrangements such as one initiated and developed by Youth Affairs Council Victoria under the Working for Victoria grants during COVID enabled small local organisations to identify and support their more vulnerable clients, provide responsive local solutions and maintain presence in communities. These projects demonstrated significant outcomes for clients but were strictly time-limited, and their potential long-term impacts halted for lack of ongoing funds.

Funding bodies need to consider smaller applications from small place- based initiatives, rather than one larger provider servicing many smaller communities. Small scale initiatives at a local government area for example provide better outcomes for their target community and are able to garner local resources and in kind support through local networks.

Rural communities suffer from the "outreach" provision of larger providers across multiple communities. Often these operate in a Hub and Spoke model where all staff and services are delivered from the centre with little if any local service delivery in place. This approach significantly decreases the services available on the ground in smaller communities.

We recognise that huge contracts servicing multiple smaller communities by outreach is easier to manage from a funder point of view. But bigger is not better.

Suggestions to improve the 'outreach/hub and spoke' approach could include:

-Funders could consider allocating 'extra points' if an application can demonstrate existing local delivery of services. eg having a number of local referees based within the target communities to verify claims of service.

-Where larger organisations are applying for a whole region they should identify the total number of staff, incl management and admin in their organisation and the number of staff to be based locally in the communities to be served, with a mandated minimum.

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

From our experience in the sector, there is little appetite for larger CSO's to support smaller organisations. They are seen as competition and in the main larger organisations will not support smaller unless they are mandated to do so -they default to hub and spoke.

Centralized hubs which only offer outreach services to surrounding small towns and populations have numerous negative impacts on communities due to:

•Reduced delivery of services to clients and time in communities due to travel from the hub

•Reduced local networks and presence - Noone knows they are there

•Inability to garner local support and in-kind resources- less cost effective

•Increased travel costs

•Duplication of what is already happening in communities and not talking to other local service providers.

•Not a wholistic view of community- miss gaps but don't have to wear the consequences.

•Assuming they know the answers when the community has it in hand - experience in other areas is not necessarily translatable!

•Lack of understanding that community has a plan for its community but it lack of resources and authority to see no change)

• ACHO's are a great example of how to demonstrate the importance and effectiveness community and place based programs are.

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

Research has indicated that place-based programs do work and are very successful in addressing inequity and vulnerability within communities. However, unfortunately what government sees as place based is at a much larger scale to be really effective in smaller communities. Funding which allows for smaller scale place based work (either at a town or Local Government area) has greater impact, buy in and is more cost effective as it is able to draw on its strong local networks for additional support and funding than larger scale models.

Please see suggestions above in question 4 in relation to the funding of smaller scale place based projects. Often government funding provides for the concept testing of an innovative model or approach but does not provide follow up funding for the proven outcomes of existing place-based pilot projects. It is frustrating to establish an effective pilot program to then be un able to secure funding to establish and consolidate a model which works.

There is a need to create advocacy pathways for small players in rural communities to get the ear of

government.
Government listens to larger sector leads and peak organisations, but not all their membership and leadership has an understanding of the challenges of rural communities. It is therefore crucial that government explores other ways it can to get advice from these smaller organisations and representatives from rural communities to ensure that future initiatives have an impact on rural outcomes.

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

There is a significant disillusionment and a widespread feeling that rural communities are forgotten or not valued by government. We don't have the population and as such can be ignored. Despite many reviews into the divide between rural and metropolitan outcomes, the issues have remained the same over many years.

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

We are very thankful to have the opportunity to contribute to this review. It demonstrates that government has been listening to the needs of the sector which is pleasing!

Success looks like a decreasing of the significant gap in health, education and life outcomes between rural and metropolitan communities. That no matter where you live you have access to all of the supports and services you require.

However, our experience as sector representatives working in rural communities highlights a consistent failure by consecutive governments to address the vulnerability and service gaps experienced by rural communities. Outcomes across a broad range of social areas demonstrates significant gap between rural and metropolitan communities. Unfortunately, some of these poor outcomes are as a direct result of government policies and funding mechanisms, lack of services and a failure to understand how rural communities operate.

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6.2 What other solutions or changes could also be considered?

If we are to really address the issues faced by vulnerable people within rural communities we suggest the following strategies:
- Provide opportunities for the funding of smaller scale place-based programs. (Town or LGA based rather than state-wide contracts. This does not necessarily mean increasing the funding pool, but rather distributing the funding pool differently)
- Interrogate applications from larger providers as the real servicing of smaller communities where they apply for larger geographical areas. Ensure that if a provider undertakes to provide a service in a given community that they have staff based within that community and not staff who outreach from another community. Require that they have referees within the smaller communities who can attest that they have in the past appropriately provided a full service within that community)
- Provide longer term funding periods and ensure that the reporting and acquittal processes are funding after the official completion date of the project.
- Simplify the application process to ensure that smaller agencies (without large fund raising teams) have the ability to apply for government funding.
- Enact the rural strategies and policies developed by multiple previous reviews and inquiries into rural disadvantage including having a 'rural lens' over proposed programs and funding programs and including a rural loading to address the significant travel requirements of working in smaller isolated communities..
- Design of a funding model which takes into account the additional costs of transport and lack of economies of scale of providers in smaller rural communities through a rural loading.
- Provide opportunities of representatives from rural and isolated communities to come together with government to design appropriate delivery models and funding rather than relying on 'peak bodies ' and larger providers which will ensure equitable access to services for our smaller communities.

6.3 What does success look like?

Thank you for the opportunity to participate, please keep listening and then follow through.