Organisation name

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Email

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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?

The Community Services Advisory Group (CSAG) is an excellent forum for collaboration between the government and CSOs. To enhance CSAG's engagement, a strategic approach is needed to connect with non-member CSOs. This could be achieved by using digital platforms for regular information sharing and interaction. Regular summaries of CSAG's activities and decisions should be published on the DSS website, inviting input and discussion from the wider CSO community. Additionally, opening some CSAG meetings to external observers and allowing for direct contributions can increase transparency and foster a more inclusive community sector environment.

The governance of CSAG should undergo routine evaluations to ensure it stays effective and responsive. Introducing term limits for members could encourage new voices and ideas, keeping the group dynamic and closely aligned with the sector's evolving needs. Furthermore, implementing performance metrics to assess the quality and extent of engagement with external CSOs will help maintain focus on effective outreach and continuous improvement.

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?

The effectiveness of information sharing between CSOs and the government can be significantly improved by initiating early, focused dialogue to clearly identify which data is valuable to both parties. This ensures relevant information is integrated from the outset, facilitating a seamless flow between entities. An established protocol for regular reviews of the shared information is also essential to confirm its ongoing relevance and effectiveness in achieving shared goals.

Enhancing the utility of centralised data platforms like the DSS Data Exchange is also key. This can be achieved by providing transparency regarding how the government utilises the data provided by CSOs. Mutual benefits can be furthered by the government sharing aggregated data and insights, enabling CSOs to compare, evaluate, and enhance service delivery.

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

The escalation of operational costs presents a challenge to the sustainability of service delivery within the community sector. Although recent enhancements in indexation and supplementation offer some relief, they are frequently outpaced by inflationary pressures. Consequently, organisations grapple with maintaining the volume and quality of services necessary to meet the growing demands of the community.

CSOs have historically maximised the utility of their funding through careful financial management, yet there is a threshold to cost cutting beyond which further cuts are not feasible without impairing service provision. As budgets tighten, the resources available for essential services dwindle, leading to a potential reduction in the support offered to those in need.

Moreover, as operational expenses surge, funds that could otherwise be allocated towards innovation and service enhancement are diverted to cover these rising costs. This diversion hampers the CSOs' ability to innovate and evolve, stifling progress and the development of more effective service delivery models. The compound effect of these financial pressures not only strains current operations but also impedes the sector's capacity for future improvement and growth.

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

The recent changes to supplementation to provide additional funding assistance to CSOs and indexation to address inflationary impacts are welcomed by the sector.

For CSOs to maximise service delivery and outcomes in the communities they serve, it is crucial to have a clear and predictable funding framework. Specifically, contracts should detail how indexation is calculated and establish a fixed schedule for when these payments are disbursed. The current variability and tendency for indexation payments to occur late in the financial year impose unnecessary administrative strain on CSOs, compelling them to seek rollovers for unspent grants. This not only burdens the CSOs with additional bureaucracy but also overextends government resources due to the lengthy review and approval process for these rollover requests.

A streamlined approach, with indexation payments made in a timely and predictable manner, would significantly reduce this administrative overhead. It would allow CSOs to allocate resources more efficiently throughout the year, thereby enhancing the continuity and effectiveness of community services. Additionally, such an approach would free up government resources, previously tied to managing rollovers, to collaborate and work more in partnership with CSO.

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?

To enhance the determination of funding distribution, CSOs and departmental policymakers need to establish ongoing, direct communication channels. This will allow for real-time sharing of on-the-ground insights and data, ensuring that funds are allocated where they are most needed. By fostering a closer working relationship, department staff gain a deeper understanding of service models and interventions that are effective in the community.

To mitigate the disruption caused by departmental staffing changes and restructures, there should be a systematic approach to knowledge transfer within the department. Implementing comprehensive handover processes and maintaining detailed records of interactions and decisions can help preserve institutional knowledge. Additionally, regular joint training sessions and workshops can align both parties on objectives and processes, reducing the learning curve for new departmental staff.

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

We are a large CSO that has multiple government grants, mainly provided by DSS across a variety of service locations. We experience duplication of reporting in a variety of ways. Different grant agreements ask for the same information as part of the reporting requirements as well as instances of duplication under a single agreement due to being funded to provide the same service across multiple locations. We recognise different communities have different needs and outcomes and these need to be accounted for as part of our reporting, however, there needs to be a mechanism that allows for duplication in reporting to be eliminated where possible.

By leveraging technology and automating the sharing of information, particularly within the same department, duplication could be eliminated, and more time could be spent on improving the effectiveness of service delivery.

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

Grants serve a broad spectrum of community requirements, and while they cannot all be managed uniformly, sustained support is essential for services that support ongoing needs. Supporting families and

relationships or assisting people through the Family Law System after separation are examples of long term community needs. These areas benefit from a long-term strategic approach, rather than a piecemeal or short-term one.

Communities consistently favour service providers that demonstrate a commitment to their long-term welfare. Therefore, offering CSOs five-year funding agreements with options for extensions based on the fulfilment of agreed-upon performance milestones provides the necessary stability and assurance. Such an arrangement empowers CSOs to establish deep roots within the communities they serve, fostering a climate where innovation can thrive and where there is a continuous accumulation of evidence-based results. This long-term investment not only strengthens community services but also builds trust and partnerships between service providers and recipients.

Longer-term grant agreements also provide greater job security for staff that aligns with other government initiatives such as Secure Jobs Better Pay. For staff who need job security, particularly in current times with cost of living pressures, they will understandably make employment decisions based on securing their future which leaves gaps in service delivery, particularly as grant agreements are coming to the end of their term.

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?

To ensure effective planning and resource management for CSOs, it is critical that the government aims to deliver final decisions on grant variations or extensions at a minimum of six months before the expiration of the current grant agreement. This lead time is essential for CSOs to manage staffing needs, secure property requirements, and make other necessary preparations to maintain continuity of service or wrap up service. Such a timeframe supports efficient and cost-effective management, allowing for smooth transitions and minimising the risk of service disruption for the communities that depend on these programs.

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

To facilitate smoother financial management for multi-year agreements, CSOs should be granted the flexibility to carry over unspent funds from one financial year to the next (within the same funding agreement) without undergoing onerous rollover processes. This change would empower CSOs to carefully plan and execute service delivery and to invest in innovative projects and evidence-based enhancements more strategically over the grant's duration.

To ensure accountability and adherence to grant objectives, a safeguard could be implemented in the form of a percentage threshold. This would allow a certain percentage of the total grant to be carried over automatically, with amounts exceeding this threshold requiring a streamlined, but formal, review process. This threshold ensures financial oversight while minimising administrative burden.

By reducing bureaucratic hurdles and enhancing operational flexibility, CSOs can focus more on delivering impactful services and less on navigating administrative complexities, thus driving innovation and service quality improvements across the sector.

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

The ability to roll over and use funds across financial years for multi year agreements without having to go through burdensome and time-consuming rollover requests. This allows CSOs to plan effective service delivery whilst also planning projects that encourage innovation and improvements to service delivery and evidence gathering. This would give providers greater flexibility across the life of the grant.

As a safeguard to ensure grants are being spent to deliver grant objectives, a percentage threshold could be built into any reduction in formal rollover requests.

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?

To optimize the grant variation process, the government can adopt a multi-faceted approach that provides clear timelines, encourages continuous performance, and fosters innovation among Community Sector Organisations (CSOs).

Firstly, setting a policy that mandates a minimum six-month notice for decisions on grant variations and extensions would give CSOs the necessary time to adjust their strategic planning and operational management. This would ensure sufficient lead time to handle staffing, resources, and service delivery adjustments whether the grant is extended, varied, or concluded.

Secondly, embedding performance-based option periods into grant contracts can incentivise CSOs to align closely with grant objectives, ensuring that value for money and innovative practices are not just highlighted but are integral to the delivery of services. These option periods would be contingent on the CSOs' ability to meet specific, transparent performance metrics that are regularly reviewed, with the government providing constructive feedback throughout the grant period for ongoing improvement.

Additionally, to promote a competitive and dynamic market, the government could cap consecutive contract terms, interspersing them with periods of market testing. This ensures that the funding is being directed towards the most effective and innovative service providers, potentially introducing new methodologies and efficiencies into the community services sector.

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

The establishment of collaborative grants is one way. These grants would specifically require partnerships between larger, established CSOs and smaller, emerging ones, combining the reach and experience of the former with the innovative approaches of a startup. This not only provides a platform for smaller organisations to scale their impact but also encourages knowledge transfer and capacity building within the sector. Such collaboration can lead to more robust and diversified service offerings that are more in tune with current and emerging community challenges.

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

Larger CSOs are well-placed to support smaller CSOs by leveraging their established resources, broader experiences, and extensive networks. Larger CSOs can offer training and development programs to help smaller organisations improve their operational effectiveness, governance, and service delivery. By sharing expertise and providing mentorship, larger CSOs can guide smaller ones through complex regulatory landscapes or strategic challenges. Sharing resources such as office space, administrative services, or pooled purchasing can help smaller CSOs reduce overhead costs. Larger CSOs often have stronger advocacy networks and can represent smaller organisations' interests at policy-making tables.

However, collaboration between large and small CSOs is not without its challenges. Both large and small CSOs often compete for the same pools of money, which can discourage larger organizations from supporting potential rivals. Differences in culture, mission, or priorities can make collaboration challenging. Providing support to smaller organisations can be administratively burdensome and may not be seen as directly furthering the larger CSO's mission. Larger CSOs may be cautious about the reputational and legal risks of closely associating with smaller, less established organizations.

To overcome these barriers, larger CSOs need to view the support of smaller CSOs as an investment in the overall health and diversity of the sector. By fostering a collaborative environment, the entire sector can become more resilient and impactful. Incentives to encourage and facilitate such support, including recognition programs and collaborative grants may mitigate the risks and burdens involved.

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

Place based funding approaches led to holistic community led outcomes. By engaging the whole community challenges can be overcome easily to ensure there are no gaps in service delivery. This is particularly important for vulnerable client groups.

The advantages we have seen where community members work together to deliver a solution for their

local community are:

- Seamless service integration
- Culturally sensitive services
- Educational support
- Resource sharing
- Community engagement and trust
- Innovative outreach
- Enhanced capacity
- Responsive services

Both formal and informal partnerships significantly amplify a community's ability to deliver comprehensive, culturally appropriate, and accessible services to diverse communities.

6.3 What does success look like?

Success in a stronger, more diverse, and independent community sector can be distilled into six essential criteria:

1. Integrated Service Networks: Success is marked by robust partnerships and collaboration across CSOs and governmant, leading to integrated service delivery, resource sharing, and a comprehensive response to community needs.

2. Financial Stability and Innovation: A sector that achieves sustained funding, coupled with the capacity to innovate, enables organisations to adapt to changing community needs and invest in long-term development without constant financial uncertainty.

3. Cultural Responsiveness and Inclusion: Success includes delivering culturally competent services that respect the diversity of the community and ensuring that services are accessible to all, including those in remote or traditionally underserved areas.

4. Community Participation and Leadership: A successful sector actively involves community members in decision-making processes and prioritises local leadership, ensuring services are relevant and effectively tailored to community needs.

5. Evidence-based and Holistic Practices: CSOs use evidence-based approaches and provide holistic support systems that address the wide range of social, emotional, and physical needs of individuals.

6. Resilience and Advocacy: A strong community sector is resilient, capable of responding to crises, and serves as a powerful advocate for policy and funding decisions that reflect the true needs of the community.