

A stronger, more diverse and independent community sector

Department of Social Services
Issues Paper

Submission from Community Centres SA
and the Don Dunstan Foundation

November 2023



Community Centres SA
Celebrating 40 Years

**DON DUNSTAN
FOUNDATION**
inspiring action for a fairer world



Introduction

This submission is presented by Community Centres SA and the Don Dunstan Foundation for the consultation being undertaken by the Commonwealth Government, through the Department of Social Services, seeking views on how to build a stronger, more diverse and independent community sector.

We have noted the key directions put forward in the [discussion paper](#) and the Commonwealth's interest in strengthening the community sector through its support in the areas of:

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

Our submission highlights the key considerations for South Australian community centres and neighbourhood houses in any future policy development or commissioning reform for community sector organisations. Views were sought from the 150+ members of Community Centres SA and key leaders from the sector. In partnership with State and Territory sister organisations, this response also forms part of the collective submission by Australian Neighbourhood Houses and Centres Association, further strengthening the perspective of community centres in this consultation process.

Overview

The community centres of South Australia have indicated that the most important issues for how the Commonwealth Government can support community sector organisations are:

- Adequate funding for administrative and overhead costs,
- Flexibility and adequacy of government funding, including the length of grant agreements, and
- Place-based funding approaches.

Place-based funding

Place-based interventions and activity are part of the DNA of community centres and we believe these unique community sector service organisations are amongst the best-placed to develop, trial and test, and deliver place-based funding approaches. Critically, as they exist to serve local communities, community centres have a direct insight into the needs of those communities, and we would encourage a more nuanced view of place-based approaches in any future policy or commissioning reform. This would also be important to ensure small community centres, that are driven by community or local government, are included in funding approaches, rather than only larger community service organisations.

“Place-based funding works well for the most part but there are still pockets of disadvantage within 'regions' or local councils. I find that governments term place-based funding more around these regions rather than looking at the sub-communities within the regions which show a better picture of what is occurring. In addition, data can only tell you so much, you must talk to the local community also, and government funding usually doesn't take this into account.”

SA community centre leader

“A collaborative approach is necessary and should involve some visits from funding bodies, with no agenda other than to see the centre operations first hand. Like a visit to a home, a visit to any centre immediately informs the funder about the nature of the local community, the efforts and planning of staff, the array of programs on offer and the need for flexibility.”

SA community centre leader

Community centres are deeply embedded in communities and work closely with the most vulnerable people in society. In the context of rising costs of living, housing shortages, and the impacts of climate change, they see in real-time the increase in need in the community, particularly those that are operating in areas with entrenched and intergenerational disadvantage.

Flexibility and adequacy of government funding

To deepen the impact on local communities, in relation to the provision of grants, community centres and neighbourhood houses need:

- More targeted grants to community centres who are often working at the grass roots supporting the most disadvantaged local communities through place-based work. At the core of any support provided by government must be an understanding of the complexities of working in community every day, with enough flexibility built into the system to respond to the complexity and ever-changing landscape of community members' needs, including in areas such as disability, mental health, and literacy,
- More funding to engage young people, First Nations communities and diverse groups,
- Flexibility in contracts or outcomes agreements to allow for change as programs identify better and more effective ways of working, and
- Reducing the need for professional grants writers to support applications by introducing a more flexible approach to achieving grant funding.

“The ongoing and increased need within the community has directly impacted on how much we can or can't do in terms of current costs.”

SA community centre leader

Community centres report that, in terms of accessing programs, supports and information to help build their organisations' capacity, the primary sources of information are State-based (e.g. those supports provided through the SA Department of Human Services or SkillsSA), grants websites and peak body publications. We believe that streamlining the provision of information about strategic funding opportunities, along with active assistance for local networks to build capacity and collaboration, would be an improvement to the way in which community sector organisations are supported.

Adequate funding for administrative and overhead costs

South Australian community centres and neighbourhood houses have noted that rising operational costs are impacting areas such as:

- Staffing,
- Recruiting and retaining volunteers,
- Administration and compliance costs,
- Costs of goods and services, and
- The ability to innovate or develop collaborative partnerships.

The impact of rising operational costs is particularly significant in smaller organisations, and those operating in regional or remote communities. For example, the funding available to smaller community centres may support the employment of part-time managers, but the demands of the community often require working more hours than are funded. There are also perceptions that local government-run community centres are able to readily expand their service offers, and while they may have adequate funding for staffing, they do not necessarily have the capacity to run programs or purchase materials from within existing resources.

Additional comments

In addition to the views outlined above, community centres and neighbourhood houses have put forward a range of practical considerations as part of this feedback process, which would address the specific needs of this form of community sector organisation and aid in their invaluable work in supporting communities:

Community centres can achieve outcomes for people seeking employment (through ACE programs, community engagement and other learning programs (e.g. Driver's Licence) yet rarely can get funding support from Commonwealth Workforce Australia agent - and indeed those same agents get success payments from the actual efforts of community centres.

Professional staff development is an emerging cost (given higher compliance and duty of care thresholds). Helping smaller (that is, less than \$3M turnover) not for profits manage this cost (and thus be able to retain staff) would be valuable. Staff will leave if they perceive career development/currency of knowledge is declining.

More MOU collaboration arrangements with volunteer groups, and auspice arrangements, would allow people to get on with what they want to do and not have to worry about the incorporation requirements.



Community Centres SA

Celebrating 40 Years

About Community Centres SA

Community Centres SA is a not for profit leader in community development, supporting communities through advocacy, research, capacity building and training for over 40 years, with over 150 community organisation members including Community Centres and Neighbourhood Houses.



About the Don Dunstan Foundation

The Don Dunstan Foundation is a thought leadership organisation which was established in 1999. We work on collaborative projects to inspire action for a fairer world, building on the legacy of former South Australian Premier, the late Don Dunstan.