

## Organisation name

Neighbourhood Centres Qld

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

Neighbourhood Houses and Centres are local place-based and community-led organisations. There are over 1000 across Australia and over 150 in Queensland. Queensland's Neighbourhood Centres meet in 9 regional networks - Far North and North Queensland, North and South Brisbane, Wide Bay Burnett, Far West Remote, Sunshine Coast, Logan, Ipswich and West Moreton. The Queensland peak body for Neighbourhood Centres is Neighbourhood Centres Queensland. Government could form a partnership with Neighbourhood Centres Queensland who could in turn, access 9 regional networks to give voice to 150 organisations across the state that are embedded in local communities and neighbourhoods. The Queensland Government has recently undertaken an effective co-design process and voice for the sector through the establishment of a Strategic Repositioning Committee <https://www.housing.qld.gov.au/about/initiatives/strategic-repositioning-committee>. Through a similar and equal partnership with the Commonwealth Government, codesign processes should focus on the involvement of local community-based organisations, such as Neighbourhood Centres, to gain the voice of smaller localities rather than the involvement of large state-based charities and non-profit organisations.

### 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?

Effective and equal data sharing of community relevant information should ideally occur between all levels of Government and the Community Sector. Much reporting data is obtained from CSO's for funding programs that is kept internally by Government, not analysed and not released back to the wider sector for combined learning. This data needs to be made available for research purposes and ongoing program design in local communities. The data could be categorized by locality, demographic type, program types and a range of other identifiers. Local community data platforms could be developed and owned by local communities.

### 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?

Neighbourhood Centres are specialists in place-based community-led practice because of their Community Development ethos. Community Development initiatives played a key role in establishing many Neighbourhood Centres around Australia through the Australian Assistance Plan in the 1970's. During this plan, Regional Councils for Social Development were established in 35 regions around Australia to work with local people and community stakeholders to identify local needs and aspirations. Through a Community Development method, many CSO's were established during this period by local people with Federal Government funding. This specifically catered for local "service users" because CSO development was designed by the community members themselves. Government needs to return to funding local community development initiatives in a similar fashion, especially those performed by local Neighbourhood Centres.

While concepts such as "place-based", "community-led" and "codesign" are used often, few have the expertise to operate accordingly without participatory Community Development skills and training. Community Development courses have almost totally disappeared in all tertiary institutions throughout Australia and should be invested in. Place based Community Development education and training needs extensive funding.

As Community Development is implemented through Neighbourhood Centres and other CSO's, the contribution of local people is implemented from the bottom up. These local organisations can feed the voice of the community back to Government to inform the most ideal funding framework required for local community priorities. Local program evaluation and data collection informs Government of ongoing improvements for social policy, service design and funding for CSO's.

### 2.1 What would adequate and flexible funding look like?

Funding for all programs should include costs for frontline wages, management wages, rent, IT, mobile phones, travelling expenses, utilities, program delivery costs, catering, communications and professional development. These costs are incurred by CSO's for all program delivery.

Funding should be made available for Community Development projects. These projects are identified, designed and delivered by community members with the support of Community Development workers that facilitate the work. The issues that Community Development addresses are varied depending on the local community. This approach does not support narrow, service delivery models with pre-determined outputs but allows each community to identify the outcomes they desire. Local community development staffing, training and projects should be funded in all localities through local community owned infrastructure, such as Neighbourhood and Community Centres.

There are a number of Neighbourhood and Community Centres in Queensland (20-30 that we are aware of) that receive no operational funding from the state and are predominately volunteer run. Adequate funding would be directed to these organisations and the establishment of new Neighbourhood Centres where local communities identify this need and desire to be involved in establishing one.

Funding needs to be provided to run and participate in interagency and regional networks. Participation in networks takes staff time, transport costs, secretariate support, IT costs, etc. Neighbourhood Centres in Qld operate in 9 regional networks.

Centres have informed us that notification of grants have often been at the last minute, through 2nd hand parties, with restrictive times frames and with overly exhaustive application processes. Information about grants should be shared on a variety of platforms including social media, grants portals, email & directly through relationships between Government, CSO's & peak orgs.

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

There are a number of programs that Neighbourhood Centres in Qld are engaged with that offer no, or little administrative costs at all. Funding for CSO's need to be provided for rent, materials, utilities, catering, travel, insurances, policy compliance, wages, management wages, IT, building maintenance, etc.

Category C Disaster Funding, channeled through the State Government, is particularly problematic for not offering funding for basic materials such as a laptop, phone, consumables, IT, management wages and much more. This has caused considerable pain points for organisations and even the withholding of money for ongoing service delivery to community members affected by natural disaster. Neighbourhood Centres are small CSO's and cannot continue to wear the costs of delivery for disaster recovery.

Additionally, Neighbourhood Centres that deliver federal emergency relief funding around the state cannot use any of this funding for wages to employ a staff member. This means that centres wear 100% of the cost of delivering emergency relief to people in crisis. 79% of centres in the state are delivering ER and the demand is increasing.

Travel costs are not being considered in Qld. Queensland is a large state and often regional meetings and frontline work require small CSO's to travel large distances and involve overnight stays. For example, a Neighbourhood Centre in Charleville recently drove 800km's to a regional meeting held at a Neighbourhood Centre in Stanthorpe. Flights are nonexistent in many rural towns, petrol costs are high, reimbursements for car use are high and accommodation and food is needed for long distances. Higher travel costs need to be covered in rural and regional areas. Regional towns need flights to Brisbane for professional Development and network meetings and likewise, small state-wide organisations such as ours which deal with 150 small CSO's need funding for travel from Brisbane all the way to Thursday Island.

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

Since COVID 19 and the consequential rise of cost of living expenses, operational costs have dramatically increased. Centres in Queensland have experienced a rise in insurance costs due to ongoing natural disasters in the state. Insurance costs have also increased for public liability expenses and volunteering. Basic utilities have increased including rents, electricity, water and rates. Interest rates for loans have risen on commercial properties. Additionally, due to the housing crisis and construction costs, repairs of facilities have also increased. This means that basic physical infrastructure is falling down/breaking in many centres. Some are delivering services from their car or using spaces that are inadequate for community support or activities. Additionally pay rates for employees in smaller CSO's are at lower levels which means quality staff seek positions in higher

paying Government positions outside of the sector. This puts extra strain on the organisation to find quality staff particularly in rural areas. Strain is also put on the workers themselves. 80% of our workforce is made up of women, who are paid at lower rates yet have increased costs at home with insurance, home loans, rents, childcare, utilities and cost of living. This creates increased stress for our workforce affecting staff health and retention.

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

Neighbourhood Centres in Qld have been omitted from supplementation funding at almost every level. CPI increases on award wages are much higher than CPI increases on funding and have been for the last 5-10 years. Indexation is not keeping up with inflation rates and cost of living expenses. CSO's are wearing the cost of this shortfall.

#### **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?**

Government needs to move away from engaging exclusively with larger statewide and national NGO's. Government needs to engage with networks and peak bodies that are directly involved with smaller CSO's embedded in local communities, such as Neighbourhood and Community centres. These organisations and networks are able to reflect a more nuanced perspective as no two local communities are the same and require different funding due to different priorities. Over 1000 Neighbourhood Centres/Houses exist across the Australia and each are embedded in local networks of community organisations, schools, support groups, businesses, services and have intimate knowledge of their communities. The Department could start working with the Australian Neighbourhood Houses and Centres Association on a National Level by including them in CSAG, and each state peak body, such as Neighbourhood Centres Queensland. This would give DSS instant insight into where funds need to be spent.

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

Codesign this with the sector. This means going through a process of forming Strategic Repositioning Committee, with sector representatives and stakeholders and workshopping agreed outcomes frameworks and reporting that can be used across multiple grants. The Queensland Government has recently done this with the Neighbourhood Centre sector with highly successful results for both Government and sector.

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

Queensland State Government has moved to 5 year contracts for many grants. Place based research suggests that it takes at least 9 years to see changes in demographic data for collective impact place based work so in these circumstances 10 year contracts are needed. Because Community Development is slow work, long term contracts for a number of years are necessary to create social and structural change.

Longer term grants benefit both the project and staff within the organisation. With small local CSO's such as Neighbourhood Centres, staff come from the locality and often start off as service users, become volunteers then obtain employment in the organisation. 80% of staff are women. Longer contracts mean more job security for women in local community.

#### **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?**

It depends on the grant, what its purpose is for and how long the grant period is. Disaster grants may need extension depending on further evolving disasters. Rural and remote locations (such as Thursday Island in the Torres Strait) find it extremely challenging to find and employ staff, particularly from a First Nations background so need extra time for recruitment. 6-12 months but in some special cases it may take longer for more remote areas or when natural disasters occur.

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

Funding is required to conduct Community Development activities. Community Development is a community-led process and the work is bespoke for each community and locality. Service delivery tends to be narrow, siloed in nature with strict eligibility criteria and predetermined outcomes. Community Development is as innovative as the community determines it to be, while service delivery is replicable and cookie cutter. Through small CSOs, communities need to determine what their social priorities are, and be able to apply for funding to support change. Neighbourhood Centres are in an ideal position to be able to support communities with such Community Development initiatives at a local level.

Additionally with Disaster Funding, this should be able to pivot when compounding disasters occur. For example, when a centre receives Cat C funding for flood recovery and soon after a bushfire breaks out in the region the organisation should be able to pivot their work to different disaster priorities.

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

The acquittal process especially with Cat C funding channeled through the state to our Neighbourhood Centres has been extremely problematic. Funds for service delivery in centres has been withheld because the state has informed us elements may not comply with Commonwealth guidelines for the funding. We have an ongoing situation where numerous organisations have not been paid at all and are using their reserves to pay for staff. Disaster funding needs a complete external review with CSO's, State Governments, Local Governments and community members.

Evaluation during the acquittal process should include the voice of community members to assess whether the funding is making a difference in the lives of local communities and individuals.

#### **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?**

Category C funding variation process is especially difficult when channeled through the State Government. State Governments are reluctant to vary when the Commonwealth have strict guidelines for how the funding can be used. I am under the impression that the Commonwealth will not pay the State for some variations which means the CSO's that eventually receive the funding will not get paid for the work they perform. A comprehensive review needs to be undertaken between The Federal Government and the States regarding this funding for CSO's.

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

Consideration needs to be given regarding the purpose of the new organisation being formed and whether it is duplicating existing service delivery.

We are aware of many community members working together to start community organisations from the bottom up, however procurement processes do not favour local place-based community organisations - tenders are awarded to larger NGO's to expand into communities that they have no experience of. Procurement processes need to favour emerging place-based, community-led organisations that are already embedded in local communities, such as Neighbourhood and Community Centres. Ideally, Government should have an application process whereby new community-led initiatives can be applied for in an ongoing manner rather than during restrictive time windows.

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

Apart from one or two philanthropic organisations, there is no funding to help build the internal capacity of CSO's. Funding is needed for strategic planning, IT infrastructure, professional development, policy development, compliance, etc. Often philanthropic funding is directed to larger CSO's that can more broadly advertise donors.

Smaller organisations especially need funding for IT development - for websites, data storage, CRM's, communications, social media, etc. Investment also needs to be directed to staff and volunteers that need upskilling in digital platforms. While some discounts for IT products exist from

organisations like Connecting Up, there still needs to be funding made available for discounted products and design of platforms to suit local situations.

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

Larger CSO's could provide grant writing services to smaller CSO's. Large charity organisations and non profits have extremely large grant writing teams that compete with small CSO's with limited resources meaning that funding gets diverted to large organisations. These large organisations often have extensive corporate structures that require even more resourcing for middle and upper management. As a consequence, the barriers to providing support to small CSO's lays in the structure of large CSO's needing to resource their own entities. While the discussion paper proposes sub-contracting to smaller CSO's, large CSO's would include significant fees to do this work to grow their organisations.

Auspicing funds is another way that larger CSO's could support smaller unincorporated CSO's however our experience has been that most large CSO's don't do this due to their structures.

Many larger CSO's are working out of local centres because they need the local places and knowledge. It is common for small CSO's to support larger CSO's rather than the other way round. There needs to be adequate compensation from larger CSO's for leveraging local knowledge and infrastructure, including reimbursement for office space, rent, administration, IT and utilities. Smaller CSO's need to be given a choice as to whether subcontracting arrangements are best for their circumstances or whether adequate compensation from an external partner is best.

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

Neighbourhood and Community Centres have been performing place-based work in Australia for over 50 years. We welcome a return to funding for place based initiatives however our experience is that much of this funding isn't directed at a local level.

Some place based models are too often driven by data rather than the concerns and aspirations of local people. Emphasis is placed on data that indicated deficiencies in communities. There needs to be a careful consideration of data, but also community voice. Community members often have little input into the work and it is mainly driven by "experts".

Other work that claims to be "place based" appears to be service delivery by larger organisations in communities where they have little local knowledge. Often smaller CSO's that have been embedded in local communities for decades are overlooked and funding directed to larger CSO's. Large CSO's are less familiar with performing place based work. By their very nature, they operate as large state-based or national organisations rather than local organisations embedded long term in Neighbourhoods.

Place based work is increasingly funded, however there is a lack of training in how to do place-based work. Those funded to do the work often spend a lot of time trying to work out how to do this specialised work. Training for this work is traditionally in the field of Community Development which, receives very little funding or focus on a tertiary level. More investment and focus are needed for place-based community development education at a tertiary level.

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

Funding needs to be diverted away from large state-wide/national charity and non-profit organisations and directed towards smaller community-based organisations, such as Neighbourhood Centres. If the focus for funding is community-led initiatives, procurement needs favour community-led organisations.

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

At the present time Men's Shed's across Australia have access to a specified DGR status however Neighbourhood Houses and Centres do not. Neighbourhood Houses and Centres need their own DGR status because of the incredible work they do in local communities.

Additionally, the national peak body for Neighbourhood Centres, The Australian Neighbourhood

Houses and Centres Association, does not receive any funding from the Federal Government despite having a membership of over 1000 centres across 6 states. Centres across the states are involved in national initiatives and issues. Funding needs to be provided to this national peak organisation as well as representation on CSAG.

Involvement in networks costs money, and is essential for place based work. Funding needs to be made available to cover all expenses associated with attending and running network meetings at a local and regional level.

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

Community-led change initiatives are already a key feature of the work of local Neighbourhood Centres. They are already a successful model for shared accountability to community members and funders.

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

The sector is experiencing challenges in workforce recruitment and development as there is more of a focus on place-based work, especially in rural locations. Increased focus on place-based community development training and workforce development should be a high priority. Incentives should be offered in rural locations and for First Nations people to work in small local CSO's.

The challenges with philanthropy are often that many philanthropists know very little about working on a local community level, therefore are unaware of the types of funding that are required on a local level. The ethics of the philanthropist in their revenue raising activities also needs to be compatible with the ethics of the local organisation.

#### **6.2 What other solutions or changes could also be considered?**

One possibility could be a return to a similar model used in the Australia Assistance Plan, with the establishment of Regional Councils for Social Development to determine how grants are distributed on a local level. Taking into account learnings of the successes and challenges in the original program.

#### **6.3 What does success look like?**

Success looks like getting back to the local. During COVID, communities realised their need for the local - the local shop, park, neighbour and street. Success means that local people are supported in local places by resourcing local CSO's. There is no other infrastructure that does this better than local Neighbourhood and Community Centres - providing support, referral, social connection, skills, education and community development. Success looks like more and more of these local community-led organisations being well resourced and expanding across the nation. Offering bespoke programs and initiatives in each locality and community. Creating community ownership and belonging from the cradle to the grave.