

17 November 2023



Community Sector Public consultation
Community Cohesion Branch
Department of Social Services
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Dear Secretary,

Re: Response to Issues Paper: A stronger, more diverse and independent community sector

Thank you for the opportunity to provide feedback in response to the Issues Paper entitled 'A stronger, more diverse and independent community sector'.

We welcome the Government's commitment to better supporting a strong, independent, and diverse community sector and appreciate the Department of Social Services' (DSS) interest in exploring the opportunities, challenges, and ideas that this entails. We support the intent of DSS to use feedback provided in this consultation to improve the operation of community sector grants and the associated policies, practices, and processes. We also support the objectives of creating more meaningful working partnerships between government and the community sector and driving greater innovation through grants.

As you may know, JFA Purple Orange is an independent social profit organisation based in South Australia that undertakes systemic policy analysis and advocacy across a range of issues affecting people living with disability and their families. We also host a range of peer networks for people living with disability including people living with intellectual disability, physical and sensory disability, younger people, people from culturally and linguistically diverse backgrounds, and people in regional South Australia.

We are currently in receipt of Commonwealth funding for a number of projects, primarily under the Information, Linkages, and Capacity Building (ILC) program. These grants are supporting initiatives in South Australia, including:

- Disability Inclusion Training (DIT) program
- Road to Employment (R2E) program
- SKILL (Strengthening Knowledge, Ideas, Links and Leadership) project
- Enabled Youth Disability Network's (EYDN) 'Youth Connection and Capacity Building' project (hosted by JFA Purple Orange)
- Disability Elders of All Ages' (DEAA) 'Strengthening Empowering Connections in SA' project (hosted by JFA Purple Orange)
- Our Voice SA's Reaching Out project (hosted by JFA Purple Orange)

We acknowledge the critical importance of grant funding to the delivery of high-impact work across the community sector including by our organisation and the peer networks we host in South Australia. Independent evaluations of our projects have consistently demonstrated powerful beneficial outcomes for participants and target groups. For example, workers undertaking training through the DIT program have reported having their perceptions and biases challenged and have subsequently changed how they approach their jobs. Similarly, participants living with intellectual disability in the peer led Reaching Out project have described their increased confidence after learning to speak up for themselves and shared with the evaluators how their managers at an employment service now seek out their advice. Co-design is a central feature of all our projects and many people living with disability are working in paid roles as project facilitators, peer supporters, regional connectors, and similar.

Nevertheless, as the Issues Paper describes, there is scope to do better in the way community sector grants are offered and managed, and it is with this goal in mind that we provide our input into this consultation.

A stronger partnership and improved communication

We endorse the intention for the government and DSS to develop a stronger, more meaningful partnership with the community sector and believe this will help to maximise the quality and impact of grant-funded project outcomes. However, there are several areas that can be improved in order to achieve this result.

There needs to be clearer, more transparent, and predictable communication and sharing of important information about grants with the sector in a timely manner. For example, organisations, including ours, are currently navigating a new round of grant application openings under the ILC program. Yet, the overall design framework for this program has not been shared with the sector, while the status of long mooted ILC reforms is unclear. Instead, opportunities for each stream are opening in an ad hoc manner via GrantConnect without any broader context such as what other streams will be funded in this round and what the timeline will be for this to occur.

Consequently, organisations are hurriedly designing proposals or next stages of existing successful projects and writing grant applications without the ability to assess the most suitable stream under which to apply or to consider synergies or overlaps between ideas. It is also very difficult to plan for organisational capacity, priorities, and resource allocations in the absence of this broader contextual information. At the time of writing this submission, the future of the economic participation stream remains unknown to the sector, yet applications have already closed for other streams. Three new funding opportunities regarding supported employment have been announced, but it is not clear whether/how these relate to the ILC economic participation round. Similarly, details about the design of a forthcoming mainstream capacity building stream are opaque. As such, it is likely the breadth and quality of applications across this funding round will be reduced as a result of the current ill-defined and ad hoc approach to opening and closing grant opportunities.

Furthermore, this approach has exacerbated existing pressures on the sector regarding resources, workforce stress, insecure employment, and staff turnover. Retaining

experienced staff is made more difficult when the future of some streams is seemingly made more precarious by the opening and closing of applications for others. For those applications that have been lodged, the expected delays before notifications of outcomes compound the sense of uncertainty, especially given the expiry of existing grants is now less than eight months away. Not only do organisations and their staff face insecure futures, but program participants feel unsettled about what it means for them. Unfortunately, the current approach to ILC grant opportunities is not consistent with a desire for a stronger, more meaningful partnership with the sector.

Recommendation 1: The Department of Social Services (DSS) should immediately share more information with the community sector regarding the overall design framework for the Information, Linkages, and Capacity Building (ILC) program to ensure organisations are well-informed as they design initiatives, plan resources, and write applications.

Recommendation 2: The Department of Social Services (DSS) should immediately commit to funding the economic participation stream under the Information, Linkages, and Capacity Building (ILC) program and provide clear information about the timeline for applications regarding this grant opportunity. Or, at a minimum, the DSS should provide the sector with clarity regarding the future of this stream or a timeline in which decisions will be made.

Recommendation 3: The Department of Social Services (DSS) should immediately update the sector on the status of the mainstream capacity building stream under the Information, Linkages, and Capacity Building (ILC) program and provide clear information about a timeline in which decisions on the formulation of this grant opportunity will be made.

Recommendation 4: The Federal Government and Department of Social Services (DSS) should adopt a more consistent, transparent, and predictable approach to grant opportunities than that deployed for the current Information, Linkages, and Capacity Building (ILC) program round and ensure processes are timely in order to reduce, rather than exacerbate, uncertainty across the community sector. Grant outcomes should be notified at least six months before the commencement of the funding period.

Importance of co-design

We agree there are significant opportunities for DSS to utilise a genuine co-design methodology to develop grant program frameworks and processes in line with the desire for the community sector to be given the voice and respect it deserves. This should involve engaging stakeholders, including intended beneficiaries of grant activities, in decision-making across the whole lifecycle of grants programs. We continue to be concerned that many of the processes that governments and others are referring to as co-design fall short of best practice and do not include active involvement in decision making. To this end, we respectfully draw attention to the following statement in the Issues Paper: “The department has undertaken a number of public participation processes guided by the principles of co-design...” (p.16). Processes guided by the principles of co-design are not a substitute for genuine co-design. These processes may

have value as engagement or consultation processes, but co-design is fundamentally distinct from these approaches. We encourage DSS to access our Guide to Co-Design with People Living with Disability, which was itself co-designed, via our [website](#).

Recommendation 5: The Federal Government and Department of Social Services (DSS) should utilise genuine co-design approaches including participation in decision making when developing grant program frameworks, criteria, and processes. Co-design should involve diverse participation from a range of stakeholders including intended beneficiaries of grant activities.

Providing sustainable funding to capitalise on momentum

We strongly endorse adopting longer grant agreement terms and/or other initiatives that provide certainty to organisations, staff, and participants, as well as sustaining and building on successful projects with a strong track record of beneficial outcomes. Longer grant periods would allow organisations to plan, budget, and allocate resources through a longer-term lens, with more time to focus on core priorities and less time lost to the processes of chasing new funding to keep projects afloat. It would help the sector address issues of precarious employment and staff retention, giving experienced qualified workers income security and greater ability to plan in their personal financial lives. Participants will be able to commit to a program and progress their skills and development with assurance of ongoing sustainability. They can invest in growing their connections and informal relationships without fearing the opportunity to interact with others in that setting is about to cease, making their efforts feel pointless. A lack of funding certainty can be demoralising for staff and participants alike.

The current short-term approach is preventing valuable initiatives from building and sustaining the momentum that is essential for maximising results and capitalising on early learnings to guide subsequent work. We note the Discussion Paper refers to five-year funding agreements as 'longer term' (for example, pp.10-11). While five years is obviously longer than, say, three years, we believe the DSS should consider a broader scope for long-term funding than five years, especially for organisations and projects with a proven track record of delivering outcomes. In some instances, ongoing funding may be appropriate. Of course, in the case of clearly discrete one-off activities, short timeframes may also be appropriate.

Long-term sustainable funding should not negate accountability for results. Instead, regular reviews and evaluations can ensure projects remain on track, budgets are managed appropriately, innovation is enabled, and high-impact outcomes are achieved. Where projects fall short, a clear consistent approach can be undertaken to fix problems or change the approach. Innovative projects can be supported to test ideas and realign activities if needed. As a last resort, an appropriate mechanism can be established to end grants early to avoid wasting funds on non-performing projects. Similarly, options for new projects to apply for and enter into grant-funded arrangements should not be precluded by the term of other funded initiatives. Longer-term funding arrangements will have many benefits while perceived downsides can be managed through implementing simple checks and balances.

Recommendation 6: The Federal Government and Department of Social Services (DSS) should implement longer grant funding terms to ensure successful projects can sustain their momentum and maximise outcomes. Further, the impact of financial uncertainty on the sector workforce should be prioritised in considerations about new longer-term funding approaches.

Diversity in the sector

We wholeheartedly believe diversity is a great strength of the community sector. We support involving more diverse organisations, particularly those that are peer-led, culturally competent, or experienced working with specific cohorts or communities, in grant-funded projects because this is likely to result in better outcomes. A significant barrier to achieving this is the inaccessibility of grant application and management processes, as well as the degree of complexity in information provided in guidelines, eligibility and assessment criteria, and other information. Eliminating unnecessary complexity and improving the accessibility of grants will encourage greater diversity and have the added benefit of reducing the administrative burden on all grant applicants and recipients.

Another way to facilitate this outcome may be through partnerships or capacity building type approaches between larger well-established organisations that are skilled in managing grant-funded programs and smaller peer-led or grassroots organisations without that experience. Yet, the current ILC grant opportunities have introduced new parameters that appear to discourage this, for example, by removing the option for auspicing arrangements. Further, a grants-focused Community of Practice to build capacity and foster collaboration across the sector has merit. Place-based community-led initiatives in partnership with local organisations also have potential to make significant differences in local communities and should be explored further.

Recommendation 7: The Federal Government and Department of Social Services (DSS) should aim to foster diversity across the community sector and explore possible initiatives to increase the role of diverse peer-led and small grassroots organisations in delivering grant-funded projects to meet local or cohort specific needs.

Recommendation 8: The Federal Government and Department of Social Services (DSS) should take immediate steps to eliminate unnecessary complexity and increase the accessibility of grant processes in order to foster greater diversity among grant recipients. A genuine co-design approach should be implemented as the best way to ensure grant opportunities are accessible to peer-led, culturally competent, and other smaller grassroots organisations.

Impact of inflation

The recent significant rise in inflation has increased the costs of delivering many aspects of grant-funded projects, as well as escalating general operating expenses across the sector. We expect any steps DSS can take to minimise cost pressures on organisations would be broadly welcomed. This includes, but is in no way limited to, removing duplications in grant application and reporting processes and streamlining

administration, particularly where organisations have multiple grant-funded projects underway at the same time. Methodologies like co-governance, accountability to community, or similar options may also add value and create efficiencies. We support exploring and potentially piloting such approaches to enhance the sector's work.

Recommendation 9: The Federal Government and Department of Social Services (DSS) should aim to minimise the cost burdens of grant application and management processes, particularly in relation to duplicate reporting for organisations with multiple projects underway.

Thank you again for the opportunity to provide feedback to this important consultation about strengthening the community sector. We are available to discuss the ideas raised in this submission further. To arrange this, please contact [REDACTED], Strategy Leader, JFA Purple Orange, on [REDACTED] or [REDACTED]

Yours sincerely

[REDACTED]

[REDACTED]

Strategy Leader
JFA Purple Orange