

Committee Services Advisory Group Secretariat

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## **A Stronger, More Diverse and Independent Community Sector**

Submission from:

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## Introduction

Fairfield City Council welcomes the Australian government's commitment to a *stronger, more diverse and independent community sector* and the opportunity to provide feedback on the issues paper. As the local government body for the Fairfield City area, Council has a role to play in ensuring the various community sector organisations (CSOs) are meeting the diverse and complex needs of our residents.

It is our hope that a *stronger, more diverse independent community sector* means a sector that directly benefits areas of high social need such as Fairfield City, with funding to local services to meet the direct needs of the immediate local community.

Council and other local organisations provided feedback on previous Department of Social Services (DSS) funding reforms and tendering processes, including the 2015 inquiry into *The Impact on Service Quality, Efficiency and Sustainability of Recent Commonwealth Community Service Tendering Processes by the Department of Social Services*. Submissions at the time highlighted the need for ongoing funding of local neighbourhood centres and ethno-specific organisations. Reforms to DSS funding in the recent past have seen the re-allocation of emergency relief programs from local organisations to larger, regional operating organisations with less local connection to local communities.

Previously, highly competitive environments have resulted in decreased cooperation and communication between organisations as they seek to retain a competitive advantage necessary for success in tender proposals. This lowers the level of cooperation between services and is most visible at needs identification, planning and program levels. Larger services covering multiple regions do not appear to have sufficient time or priority to engage in inter-agencies or contribute to networks aiming to ensure coordination across the Fairfield Local Government Area (LGA).

This submission will outline the importance of providing adequate funding to appropriate organisations and provide comment on some of the focus areas presented in the issues paper.

## Fairfield Local Government Area

Fairfield LGA is located in South Western Sydney between Parramatta City and Liverpool City. Fairfield City has an estimated resident population of 209,066<sup>1</sup> and is forecast to grow to 252,239 by 2041. Fairfield City is widely recognised as one of the most diverse communities in Australia.

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<sup>1</sup> Australian Bureau of Statistics (ABS), [Census of Population and Housing](#) 2016 and 2021. Compiled and presented in profile.id by [.id](#) (informed decisions).

At the 2021 Census, 56% of people in the Fairfield LGA were born overseas and approximately 70% of residents spoke a language other than English.<sup>2</sup> Fairfield City is a preferred location for settlement and secondary migration for refugees. More humanitarian entrants settle in Fairfield City than any other area in Australia.<sup>3</sup>

With a Socio-Economic Indexes for Areas (SEIFA) of 814, Fairfield is ranked as the most disadvantaged LGA in NSW. Fairfield City consistently has high levels of unemployment (7.5%)<sup>4</sup>, people with long-term health conditions (26.8%) or health risk factors (53.5%)<sup>5</sup> and people who need assistance in their daily lives (9.3%).

In 2021, 58% of the Fairfield City population held no educational qualifications. Many households within Fairfield City fall into the lowest income quartile, equating to 32.5% of all households. The city is home to a high proportion of larger households (those with 4 or more persons), equating to 40% of all households.<sup>6</sup>

Overall, Fairfield LGA is an area with high social needs and disadvantage. These factors have a significant social and economic impact on the lives of Fairfield City residents. The diverse cultural backgrounds, migration history and low levels of English language proficiency of many residents also results in difficulties for many people in navigating health and other government support systems.

## **Local Government role in supporting local services**

There are many community organisations, charities, government agencies and foundations providing services in Fairfield City. A significant number of these organisations are well established within the community and are run by local residents. These groups provide a network of support, knowledge and opportunities within the community and they are trusted by local residents. In the last two decades, funding for smaller organisations from the Federal Government has reduced to make way for larger charities that work across regions. For Fairfield City, this has been particularly notable in the humanitarian settlement and transition spaces (formerly DSS) and emergency relief programs.

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<sup>2</sup> Australian Bureau of Statistics, [Census of Population and Housing](#) 2016 and 2021. Compiled and presented by [.id](#) (informed decisions).

<sup>3</sup> Department of Home Affairs, 2023, *Settlement Data Reports*, [settlement-data-reports-Jan-2013-to-Dec-2022 \(last 10 Calendar Years by Migration Streams\)](#)

<sup>4</sup> Australian Bureau of Statistics, [Labour force survey](#) catalogue number 6202.0, and Department of Employment, Small Area Labour Markets. Compiled and presented in economy.id by [.id](#) (informed decisions).

<sup>5</sup> Public Health Information Development Unit (PHIDU), Social Health Atlas of Australia, 2022. <https://phidu.torrens.edu.au/social-health-atlases/data#social-health-atlases-of-australia-local-government-areas>

<sup>6</sup> Australian Bureau of Statistics, [Census of Population and Housing](#) 2016 and 2021. Compiled and presented by [.id](#) (informed decisions).

Fairfield City Council hosts *Fairfield Conversations*<sup>7</sup>, a biennial social planning activity with local service providers from a range of CSOs. These services receive funding from a range of state, federal, or philanthropic sources. This, in addition to the networks hosted by Council (e.g., the Fairfield Youth Workers Network and Fairfield Multicultural Interagency) provide opportunity for services to connect, create partnerships, strengthen referral pathways, and deliver collaborative projects. These forums also allow for services to share the challenges and barriers in providing services. The lack of long term, consistent, ongoing funding is continually raised in these forums as an issue that prevents service longevity and consistency for the community.

A recent search of DSS Grants Service Directory ([serviceproviders.dss.gov.au](http://serviceproviders.dss.gov.au)) shows 60 records for organisations funded to service the Fairfield region. It is understood these results include organisations operating within particular regions as well as those operating nationally or across a state or territory. Some services listed are unfamiliar to Council's Social Planning and Community Development Team, and it is unclear if they are operating within or providing services to residents of Fairfield City. If organisations are funded to provide services to any particular region, more transparency and accountability is required to ensure the funded services are visible and accessible for residents and other services wishing to connect with them. This would create more referral pathways and assist coordinating agencies such as local Councils with understanding the full extent of service provision within the area.

**Recommendation:** That organisations funded by DSS for particular 'regions' are accountable for the transparent delivery of services in those regions.

## **Responding to the Issues Paper**

The issues paper has provided many points for consideration. Feedback on the following focus areas has been provided based on Council's understanding in working collaboratively with local CSOs.

### **Focus Area 1: Giving the sector the voice and respect it deserves through a meaningful working partnership**

Consultations with local CSOs indicate that developing relationships with funding bodies is needed to better understand the needs of service provision for the local community. Collaboration between CSOs and funding bodies will support the delivery of sufficient funding for service provision, transparency in decisions, and funding for more early intervention services.

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<sup>7</sup> Fairfield City Council, 2023, *Fairfield Conversations*,  
<https://www.fairfieldcity.nsw.gov.au/Community/Fairfield-Conversations>.

Building relationships with and listening to the needs of local communities is important to create localised solutions. *Fairfield Conversations 2021* identified that funders need to visit and meet with services who are experts in the area rather than fund to a formula.<sup>8</sup> Involving local organisations and services, including local government, in the codesign of services is important in understanding and meeting the unique local needs. Place-based organisations that are located in the community they service are well placed to respond to community needs and play an important advocacy role for their communities. Bridging communication between place-based organisations and state government and agencies is important to directly deliver critical information and solutions coming from the ground up, involving community feedback and input in funding systems and processes.

**Recommendation:** That funding bodies develop and build upon relationships with place-based CSOs to inform funding coordination.

## **Focus Area 2: Providing grants that reflect the real cost of delivering quality services**

CSOs often provide services that are responsive to the needs of the community and require flexibility when impacted by events such as conflicts in other parts of the world, influxes of refugees, natural disasters, and pandemics. Given their intimate knowledge of local communities and their ability to pivot, place-based organisations can respond quickly, communicate effectively, and provide on ground support.

A range of organisations at *Fairfield Conversations 2023* suggested more responsive and longer-term funding contracts to support the sector and increase sustainability of services. Broadening the scope of grant funding may allow funding to be used for a range of needs as they arise.

During the recent pandemic, many organisations redirected funds and resources to assist with the COVID-19 response, providing food hampers and other essential items to residents need. The NSW Department of Communities and Justice (DCJ) allowed NGOs to redirect existing funding to assist with the COVID-19 response which gave some partial relief. However, much of the available funding had already been committed and while the flexibility provided some reprieve, the volume of demand meant that many community organisations were spending funding they did not have.

Place-based organisations often operate with limited funding and resources. Hidden costs of evaluation, reporting, acquittals, and hiring external contractors place additional burden on local organisations with already limited resources. Spending excessive time and resources in these areas may hinder their ability to service the community.

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<sup>8</sup> Fairfield City Council, 2021, *Fairfield Conversations 2021*, [fairfield-conversations-a-conversation-with-service-providers\\_1.pdf \(nsw.gov.au\)](#)

Suggestions to streamline grant processes include reviewing application and reporting questions and requirements to determine where there is opportunity to simplify and remove duplicative processes, pre-filling forms for repeat applicants, use of one centralised system, providing shorter applications for smaller grants, and allowing applicants to include links and attachments to relevant information.

**Recommendation:** That consultations are conducted with CSOs to identify the true costs of providing services and adjust grant funding to reflect the full scope of service delivery and grant requirements.

### **Focus Area 3: Providing longer grant agreement terms**

It is clear that DSS has been looking at a range of options to ensure agreement terms are more suitable. Council supports the notion of ensuring any policy or grant program reforms include a strong “community voice”. Council also supports the options regarding the grant process that are being put forward in the issues paper on page 23 to provide longer grant agreement cycles, streamlined grant rounds and assessment processes, improved notice period for grant renewals or cessations, grant agreement flexibility, sub-contracting to support locally-led delivery, and fostering community voice.

### **Focus Area 4: Ensuring grant funding flows to a greater diversity of Community Service Organisations**

CSOs and community members indicate a need for awareness and capacity building to find and apply for grants. It would be beneficial to deliver regular sessions within the community to provide information about existing and upcoming grant programs and opportunities that detail how to search for and subscribe to grant notifications. Grant information and writing workshops provide transparency in the application process. Grant opportunities, information and capacity building workshops should be promoted through various channels and methods of engagement that are relevant to the community.

Smaller CSOs face challenges in the competitive funding environment and may have difficulty quantifying and communicating their value. Many community service organisations struggle to balance this with their socially-driven mission and purpose. However, smaller CSOs have the advantage of having better knowledge of the local context and networks, ability to respond quickly and more flexibility to tailor services to unique local needs.<sup>9</sup>

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<sup>9</sup> Bortherhood of St Laurence, 2018, *Too valuable to lose: Assessing the value of small community service organisations*, [https://library.bsl.org.au/jspui/bitstream/1/11011/4/ArashiroPagan\\_Too\\_valuable\\_to\\_lose\\_2018.pdf](https://library.bsl.org.au/jspui/bitstream/1/11011/4/ArashiroPagan_Too_valuable_to_lose_2018.pdf).

**Recommendation:** That grant information is made available and accessible for the community.

**Recommendation:** That grant applications be assessed in consideration of the local impact of place-based CSOs.

### **Focus Area 5: Partnering with trusted community organisations with strong local links**

The physical location of programs and services is important and the strengthening of local social infrastructure in places such as Fairfield where there are high levels of social disadvantage and humanitarian entrants should be a key consideration in planning for the delivery of services.

Many community members seek support from place-based organisations, who are agile, have established systems and connections and understand the diverse needs of their communities. Locally based services are often preferred as they are experienced, cost effective, culturally safe and trusted. Having a high level of local knowledge, understanding and trust means place-based CSOs can respond to unique community needs.

Place-based funding has been successful in providing local solutions to meet the needs of the Fairfield community. Place-based CSOs understand the local community, their issues and needs, and know how to work with them. This is particularly important in delivering specialised services and supports to specific cohorts such as people with disability, Aboriginal and Torres Strait Islander people and people from culturally and linguistically diverse (CALD) backgrounds including refugees.

Strong relationships between local place-based organisations create high levels of organisational trust and the ability to work to each organisation's strengths. Collaboration across services can address gaps and provide better support for the community. Considering a more coordinated collaborative approach between local service providers in applying for grants, rather than a competitive funding system may provide a holistic, multifaceted response to community. Supporting cross-sector collaboration to build capacity of CSOs can support the community across a range of issues.

Place-based services often have relationships with, and can partner with, local Councils. Sharing information and resources could limit competition for individual funding and potential duplication of services.

DSS Grants Service Directory indicates that most Emergency Relief funding currently directed to the Fairfield region is allocated to larger, regional operating organisations rather than place-based organisations. The extent to which these organisations are actually servicing the Fairfield community is unclear. At least one of the organisations



receiving Emergency Relief funding does not appear to be located in, or services the Fairfield area.<sup>10</sup>

Communities with high disadvantage often need to access support services for a range of issues. Whilst a range of services exist to support the community, there is a need for integration of services to provide a 'one stop shop' for those with complex issues. Infrastructure in the form of community hubs that offer an array of services from government and non-government agencies provide holistic support to meet complex needs within the community.

There is a need for true place-based neighbourhood centres that service the whole community. Current targeted earlier intervention (TEI) funding is allocated to children and families and cannot be used to support other vulnerable community members including people with disability, seniors and those at risk of homelessness.

The recent pandemic highlighted the need for support for these communities, with access to support made more difficult by a lack of digital literacy and connection. The Australian Digital Inclusion Index (ADII) uses survey data to measure digital inclusion across three dimensions of access, affordability, and digital ability. Fairfield has one of the lowest levels of digital inclusion, with an ADII of 66.1, below the national average of 73.2.<sup>11</sup> Fairfield's digital inclusion is on par with many rural and remote regions in NSW and the lowest score recorded in metropolitan Sydney.

In the last decade, Emergency Relief Funding was taken away from place-based organisations and allocated to services that can only be reached online. Many people are unable to access information or able to connect to services. Not funding place-based organisations to provide Emergency Relief Funds and digitisation of services has overlooked vulnerable communities and people who need support are not being reached.

A place-based community neighbourhood centre would support the whole community and be flexible and responsive to emerging issues in response to emergencies, health, climate events including heat, cost of living and emergency relief. Having a trusted location within the community that people can turn to would be beneficial and accessible for all community members who require support. It would provide a soft infrastructure on which resilience, social cohesion and recovery can be based. It is critical to provide longer term funding to strengthen place-based community centres and organisations and enable them to deliver appropriate, accessible and holistic support services for the community. Place-based investment is needed to help settlement cities such as Fairfield City meet the requirements of the growing community.

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<sup>10</sup> Department of Social Services, 2023, *DSS Grants Service Directory*, <https://serviceproviders.dss.gov.au/?postcode&ppp=100&programme&region=Fairfield&service=Financial%20Crisis%20and%20Material%20Aid%20-%20Emergency%20Relief&state=New%20South%20Wales>.

<sup>11</sup> Australian Digital Inclusion Index, 2023, [The national picture \(digitalinclusionindex.org.au\)](https://www.digitalinclusionindex.org.au)

**Recommendation:** That funding models provide a more balanced distribution of funding for place-based CSOs and larger organisations and prioritise funding for place-based CSOs in areas of high need.

## **Conclusion**

Fairfield LGA is the most disadvantaged area in NSW. This level of disadvantage, along with a range of other factors, results in large sections of the community requiring a high level of support. Many groups within the Fairfield community have established community organisations to ensure assistance can be provided locally and local issues are addressed. These organisations are well established although some are possibly now less financially viable due to the Commonwealth tendering process. The potential loss of these organisations is of great concern in such a disadvantaged area as they provide easy to access points of community connection and holistic support rather than simple service provision.

The apparent trend to fund very large organisations operating across large regions to deliver services is likely to be detrimental to the level of community support, resilience, cohesion and social capital that exists as a result of the community-based organisations located in Fairfield.