

7 November 2023

Community Sector Public Consultation  
Community Cohesion Branch  
Department of Social Services  
GPO Box 9820  
Canberra, ACT 2601  
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Carers NSW welcomes the opportunity to provide a submission in response to the Australian Government's *A stronger, more diverse and independent community sector* initiative. Carers NSW commends the Government for acknowledging the ongoing challenges that limit the effectiveness of the community sector, which have been exacerbated by recent consecutive national and international crises, and for its commitment to taking action to address these issues. Carers NSW believes that this initiative provides an opportunity to enact genuine and meaningful change that will see improved support and ultimately better outcomes for carers and the people they care for, and for all Australians.

Carers NSW is the peak non-government organisation for carers in New South Wales (NSW). A carer is any individual who provides care and support to a family member or friend who has a disability, mental illness, drug and/or alcohol dependency, chronic condition, terminal illness or who is frail. Carers NSW is part of the National Carer Network and a member of Carers Australia. Our vision is an Australia that values and supports all carers, and our goals are to:

- Be a leading carer organisation in which carers have confidence
- Actively promote carer recognition and support
- Actively support carers to navigate a changing service landscape that will be characterised by ongoing policy reform
- Promote connected community experiences and opportunities for carers that are inclusive of diverse carer groups
- Lead and advocate for carer-specific and carer-inclusive policy making, research and service delivery
- Continue to be a quality-driven, responsive and carer-focused organisation.

Thank you for accepting our submission. [REDACTED]

Yours sincerely,

[REDACTED]

[REDACTED]  
CEO  
Carers NSW

## Introduction

There are approximately 2.65 million carers in Australia.<sup>1</sup> While many people choose to provide care, caring can have significant impacts on carers' health, wellbeing and economic outcomes, as well as their social and economic participation.<sup>2</sup>

Given the significant impacts of caring, carers and the people they care for often rely on community services for emergency and ongoing support. However, increasing demand for community support due to the rolling crises over recent years and the growing cost of living has resulted in many carers reporting increasing difficulty accessing the services they need, when they need them.

Furthermore, as a recipient of a range of funding contracts for community based services, both now and in the past, Carers NSW has experienced first-hand some of the challenges that can limit the effectiveness of the community sector from fulfilling its potential.

The ongoing review of the community sector provides an opportunity to ensure that community services are available, accessible and appropriate for all members of the community, including carers and the people they care for. This submission will highlight the need for improved relationships between governments and the community sector, increased and adequate funding that reflects the true cost of delivering services, and longer funding contracts that enable programs to be delivered effectively, provide a sense of certainty for the workforce and enable long-term financial viability of trusted and respected community organisations.

## Giving the sector the voice and respect it deserves through a meaningful working partnership

### Streamlining consultation with the community sector

Consultation with the community sector is key for ensuring that the experiences and needs of the community are reflected in the development of policies, projects and service programs. There is, however, a need for a better coordination of consultation across levels of government and across government departments and agencies to reduce over-consultation and ensure that opportunities are meaningful. For example, while Carers NSW appreciates that the Department of Social Services (the Department) has identified the ongoing work of the Philanthropy Review and the Non-For-Profit Sector Blueprint as relevant to this consultation, all three consultations require community service organisations to provide feedback, possibly tripling their workload.

Carers NSW commends the 'collect once, use often' approach being utilised in the Non-For-Profit Sector Blueprint consultation, which will build on the responses and findings of this consultation. However, Carers NSW believes that this principle could be more consistently applied across government. Where possible, consultations should be synthesised and streamlined to reduce duplication and strain on organisations who may not have the resourcing to provide considered responses to multiple consultation opportunities.

Community organisations also require adequate funding to meaningfully engage in consultation activities. Ensuring that community organisations have adequate resources for activities such as research, consulting their member or client base, and ongoing engagement with stakeholders will enable them to better engage in consultations and provide a more diverse range of insights and

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<sup>1</sup> Australian Bureau of Statistics (2019) *2018 Survey of Disability, Ageing and Carers*, available online at [www.abs.gov.au](http://www.abs.gov.au).

<sup>2</sup> Carers NSW (2023) *2022 National Carer Survey: Full report*, available online at: [https://www.carersnsw.org.au/uploads/main/Files/3.Resources/Policy-Research/Carers-NSW\\_2022\\_National\\_Carer\\_Survey-Report.pdf](https://www.carersnsw.org.au/uploads/main/Files/3.Resources/Policy-Research/Carers-NSW_2022_National_Carer_Survey-Report.pdf).

perspectives, supporting the development of policies, projects and programs that meet community needs.

### **Stronger engagement of funding bodies with funded organisations**

Meaningful consultation with the sector is essential to ensuring that policy and programs reflect community needs. Carers NSW believes that, for organisations working under the same funding programs, resourced opportunities are required to support collaboration and development of best practice and to reduce duplication. For example, facilitated Communities of Practice provide opportunities for organisations to feed back information about trends or emerging gaps directly to funding bodies and share innovative approaches with other organisations. Ensuring regular, ongoing engagement between funders and funded organisations will enable timely responses to unforeseen challenges, such as changes to program guidelines or provision of additional funding, that ensure that the program is fit for purpose and most effective in meeting service user needs.

Further, to ensure that organisations are able to effectively deliver programs, there is also a need in some sectors for greater resourcing of contract or funding managers. Carers NSW believes that timely responses to requests for information or guidance in regard to use of funds, timelines and contract parameters requires adequate resourcing of these positions, and this is not always consistent across funders. Making sure that contract managers are not overstretched, and that they are able to genuinely engage with and support funded organisations, will enable community organisations to meet or exceed their contractual requirements.

### **Direct management and oversight of funding contracts by the funding body.**

Carers NSW is aware that at times, a government department may administer another department's grants program, as for example the Department of Social Services administers the Department of Health and Aged Care's Commonwealth Home Support Programme Sector Support and Development funding. While Carers NSW acknowledges that this may create independent oversight, enable streamlined approaches, and leverage the strengths and roles of particular departments, such an arrangement can also create barriers between funding bodies and funded services, resulting in delays in information and additional layers of approvals. Carers NSW believes that to ensure efficiency, where possible, there should be limited use of third parties to administer grant arrangements and better integration between departments where these arrangements do exist.

### **Providing grants that reflect the real cost of delivering quality services**

There are a number of costs that are not adequately covered under some grant programs. Carers NSW believes that the following domains must be adequately funded to ensure success of grant programs.

#### **Salaries**

All programs, even volunteer led programs, must have capacity for funding of staff for project oversight and volunteer management. Carers NSW has observed that for some smaller grants, salaries are excluded from eligible expenditure. Carers NSW believes that this is not reflective of the reality of delivering community services, and while some elements may be contracted out to enable delivery, there is a need for ongoing staff coverage to enable sourcing of such contractors, oversight of the project or program against projected outcomes, and reporting.

Grant amounts must also accommodate the regular indexation of wages and annual increases in pay points for staff, as outlined in the Social, Community, Home Care and Disability Services Industry Award 2010. Carers NSW commends recent indexing of many grants to cover costs associated with increases to the minimum wage, care sector wages and increased superannuation costs. However, Carers NSW believes that indexation must be more consistently and proactively included in grant budgets in order to recognise the rising costs of staffing over the period of a contract.

Furthermore, to support the effective use of indexations, it would be beneficial to receive these at the end of the Financial Year. Additionally, while it is important to have flexible use of funding, provision of a forecast or projected core breakdown in the lump sum of indexation or amount provided would also support the effective expenditure of this indexation.

### **Overheads and operating costs**

Carers NSW has identified that some grant programs do not allow for funding to be used on overhead costs. This limits applicants to larger organisations that can draw on other sources of funding to cover these costs, and may also place financial strain on organisations or result in grant associated activities not being able to be funded through the appropriate program. These costs include, but are not limited to:

- Administrative costs including financial management, acquittal, reporting
- Operational costs such as rent, equipment (e.g. IT infrastructure) which enable the delivery of services and are necessary to meet reporting requirements
- Professional development to enable high quality services, such as supervision, training, or professional development opportunities

Additionally, while many grants provide subsidies or special funding to cover the costs of services being delivered rurally, regionally and remotely, Carers NSW believes that ongoing work is needed to ensure that the higher costs associated with delivery in rural and regional areas are adequately met. This includes higher travel costs and financial incentives to attract and maintain a regional workforce. Carers NSW has observed that some approaches, such as use of the Modified Monash Model to determine which organisations may be eligible for rural or regional subsidies, do not accurately capture or include all areas that may have additional costs associated with a level of geographic isolation or dispersed client base. Inadequate funding of rural and regional services may jeopardise their ongoing financial sustainability, exacerbating ongoing service gaps and wait times for support in rural and regional areas.

### **Collaboration/networking**

One of the strengths of the community sector is the ability to work collaboratively, identifying synergies and leveraging strengths and networks of stakeholders. While the competitive nature of funding approaches within the community services sector at times undermines this, inadequate resourcing to support the facilitation of and participation in interagency meetings, communities of practice, networking activities and joint projects also make it difficult for organisations to work together effectively. Carers NSW believes that there must be adequate resourcing available to encourage and support relationship building and collaboration within and between sectors. The recent introduction of activity-based funding for some community and sector capacity-building activities has also taken away from the effectiveness of these activities, with a greater focus on the number of partnerships and outputs as opposed to the effectiveness of these relationships in supporting the intended outcomes of the grant program.

### **Reporting**

In addition to adequate funding to cover the administrative costs associated with reporting, Carers NSW believes that there are a number of further changes that could be implemented to improve the quality and meaningfulness of reporting. These changes include:

- Achievable timing and timelines for reporting (e.g. accounting for Jan/Dec period where most organisations have reduced capacity but increased demand).
- Consistency with reporting requirements across grant agreements. This includes the frequency and level of detail required for reports.

- Proportionate reporting requirements to size and length of grant
- Clear guidance regarding the level of information needed for satisfactory reporting
- Support with reporting through digital platforms, including education, resources and individual support as needed to ensure effective reporting.

## **Providing longer grant agreement terms**

Carers NSW supports lengthening grant contracts to ensure that there is adequate time for recruitment, development, establishment, relationship building, promotion, delivery, creating community awareness, quality improvement and evaluation, and thorough exploration of sustainability options. Business requirements and HR timelines for recruitment and onboarding staff, especially given workforce shortages, need to be considered adequately.

In addition to longer grant agreements, Carers NSW believes there is also a need for greater compliance by government agencies with grant timelines, for example when an organisation is required to deliver a 12-month projects in 8 months due to delays in the grant application assessment process. Where delays in announcement of grant outcomes or contract negotiations, Carers NSW believes that timelines should be updated or there must be scope to review projected outcomes to ensure they are reflective of reduced timelines and support the successful delivery of the program.

Furthermore, many community sector organisations receive funding in cycles, which can create high levels of uncertainty for organisations and their staff towards the end of each cycle. This uncertainty may make it difficult for organisations to ensure their future financial viability and may see members of the workforce leave their role or the broader community sector to achieve greater job security. Carers NSW believes that to support organisations to effectively plan for the future and to provide greater job security for the workforce, grant variations and contract extensions must be finalised and communicated in a timely manner, at least 3 months before the end of the contract period or implementation. Additionally, ensuring consistent rollover arrangements for any unspent funds and surplus guidelines will further support organisations to plan.

## **Conclusion**

Carers NSW again thanks the Department of Social Services for the opportunity to respond to this matter. Strengthening partnerships with the community sector, ensuring adequacy of funding and providing greater certainty to organisations and the workforce to enable them to better plan for the future are all likely to improve access to support in the community for carers and the people they care for when and how they need it.