

**Are you an individual or making a submission on behalf of an organisation?**

Organisation

**Organisation name**

Empowered Communities

**Is your organisation....?**

- An Aboriginal Community-Controlled Organisation

**What type of service or support do you mostly provide?**

- A national program and/or information service

**What state or territory does your organisation deliver services and supports in?**

- New South Wales
- Victoria
- Queensland
- Western Australia
- South Australia
- Northern Territory
- Western Australia

**Where does your organisation deliver most of their services and supports?**

Very remote area

**1. Does the new vision reflect what we all want for children and families?**

EC is supportive of a broad outcomes-based focus for the Families and Children's Program. Increasing opportunities for our most vulnerable children and families must be the priority of the new FAC program. To give effect to this priority, consideration could be given to how the new FAC outcomes statement could:

- a. include a focus on opportunity and responsibility as well as empowerment and support.
- b. ensure program funds are prioritised to those areas where the need is the

greatest and the gap is the widest – including those children and families who are located in areas of known entrenched disadvantage.

**2. Are the two main outcomes what we should be working towards for children and families? Why/Why not? - Outcome 1: Parents and caregivers are empowered to raise healthy, resilient children - Outcome 2: Children are supported to grow into healthy, resilient adults.**

See response to Q1 above.

**3. Will a single national program provide more flexibility for your organisation?**

EC is supportive of a single national Families and Children's Program to replace the existing five separate program structure.

As outlined in our submission to the previous discussion paper, EC considers that a single national program will not only support greater flexibility but also offers other additional benefits such as:

- Better and more integrated service delivery that is tailored to respond to local needs, ideas and input in a place-based context.
- Improve outcomes on the ground as Government will be able to fund providers to deliver an integrated and holistic service that better responds to the complex needs of individual, families and communities.
- Improve the productivity and effectiveness of government funding by reducing the duplication of service providers and programs being delivered on the ground particularly in Indigenous communities.

EC notes that the discussion paper has a particular focus on children and families, rather than on 'communities' at large, which we strongly support. For those operating in place, a focus on the role of community-controlled organisation is an essential success element for any initiative, particularly those targeting children and families. These are the organisations that operate closest to, and have best knowledge of the needs of, the families and children who should benefit from the FAC funding and services.

**4. Does the service or activity you deliver fit within one of the three funding streams? Do these streams reflect what children and families in your community need now – and what they might need in the future?**

EC questions whether separate program streams are required. If they are required for assessment and administrative purposes, further clarification about the types of initiatives that can be funded under each of the three streams will be needed to assist applicants better navigate the new arrangements.

If the streams must be maintained, it will also be important to ensure that the three funding streams do not become a rigid sub program structure that prevents, rather than encourages, holistic place-based solutions from being brought forward for funding consideration. In particular, clear guidance on how applicants wishing to apply for a program that straddles all three streams will be necessary to avoid confusion. In this context, a fourth stream could be considered for those applicants wanting to apply for a more comprehensive solution for local families and children that addresses a broad range of key policy priorities identified in the new program arrangements.

#### **5. Are there other changes we could make to the program to help your organisation or community overcome current challenges?**

EC supports the discussion paper's focus on directly supporting families and children. There are a range of existing government supported entities and approaches that have been established with roles linked to co-designing and implementing solutions for people in place. The paper does not currently consider in a detailed way, how the new FAC program interacts with these various approaches to support the FAC aims. EC is concerned that these existing mechanisms are properly aligned with the program aims and are not unintentionally working against the FAC goals. The existing mechanisms include:

- Whole of Government Framework to Support Community Led Change;
- APS Shared Decision Making Guide;
- Investment Dialogue for Australia's Children;
- Targeting Entrenched Disadvantage Package;
- Partnerships for Local Action and Community Empowerment (PLACE);
- APS Place-based Evaluation Framework; and
- Closing the Gap Priority Reforms

These government reforms recognise the importance of working with families in place to achieve sustainable change on the ground for local people, particularly in those geographical areas where entrenched generational disadvantage is greatest. These reforms also support the important EC principle of subsidiarity—that authority to decide and act should rest at the closest level possible to the people or organisations the decision or action is designed to serve.

EC would welcome the opportunity to meet with DSS to discuss how the new FAC program could help integrate and embed these broader place-based reforms into its design to ensure the focus stays on families who strive to achieve better futures for their children than they had. In particular, EC would consider it essential that a

genuine shared decision making process is incorporated into the new FAC program throughout its lifecycle: from program design, through the selection process, to the implementation and evaluation phases (See our response to the Working Together section for more information).

**6. Do you agree that the four priorities listed on Page 4 are right areas for investment to improve outcomes for children and families?**

Noting that government service delivery alone cannot solve the problems of entrenched generational disadvantage, and that families themselves must be willing to step up too, EC supports a focus on the following four priority areas listed in the discussion paper:

1. Invest early to improve family wellbeing, break cycles of disadvantage, and reduce the need for later interventions – like child protection.
2. Prioritise connected, co-located, and integrated services that work together to meet family needs.
3. Ensure services are informed by, and respond to, community needs.
4. Improve outcomes for First Nations children and families by increasing the number of Aboriginal and Torres Strait Islander community-controlled organisations (also called ACCOs) delivering supports in locations with high First Nations populations.

EC 's connection to people on the ground offers a way to better focus funding and support, not only where the need is but also where there is a willingness and desire by families to make the best of the FAC funding opportunity to ensure change for themselves and their children. This is EC's value proposition here – we are on the ground, we know the families, we work with them everyday, we can help ensure the funding supports a determination by families to secure a better life for their children. In our regions, this new funding opportunity must 'hit the mark' and not be squandered.

One additional area that EC would consider essential to improving outcomes for children and families is an explicit focus on intervention in the early years of a child's life. This is covered in more detail in the Improved Family Wellbeing section below.

**7. Are there any other priorities or issues you think the department should be focusing on?**

See response to Q6 above.

**8. Do the proposed focus areas – like supporting families at risk of child protection involvement and young parents match the needs or priorities of your service?**

EC considers that this priority could be strengthened through a focus on broader support for children under the age of five. It is well known that a child's earliest years fundamentally shape their life chances and a child who experiences early disadvantage is more likely to begin school already behind. Early gaps in achievement are likely to widen rather than decrease through school and poor educational outcomes can in turn propel a young person along a trajectory of poorer outcomes later in life, including poorer employment, income, wealth, and health outcomes.

Under the current Closing the Gap targets and approach, negative life outcomes for Indigenous children can continue to be accurately predicted even generations before they are born, and this is particularly the case in remote regions. Under the Closing the Gap incarceration targets, for example, no parity is anticipated for our grandchildren or even our great-grandchildren. EC does not accept this is reasonable or inevitable.

Changing the trajectory of young lives so those who have had the most difficult beginnings can break the cycle of disadvantage is a challenge across Australian cities, regional centres and in remote communities. We know for example, that an increased focus on early pre-school literacy for example, can significantly change the course of a child's life, particularly for those who live in areas of entrenched disadvantage.

We have seen firsthand that even the most disadvantaged families can be supported to break the cycle for their children but early intervention in the early years and a focus on education through a child's life are the keys to achieving this goal.

While EC supports a focus on supporting children and families to build strong social connections and emotional wellbeing, FaC program funds are limited, and it is imperative that they are targeted at the areas that can have the greatest impact on changing the trajectory of young lives particularly through intensive supports for children in their first five years of life.

**9. Are there other groups in your community, or different approaches, that you think the department should consider to better support family wellbeing?**

See response to Q8 above.

**10. What are other effective ways, beyond co-location, that you've seen work well to connect and coordinate services for families?**

Ensuring activities genuinely respond to the needs of individuals, families and communities is central to the success of any initiative. One of the key features of the EC model are our on-the-ground Development Agendas that have been developed through Indigenous-led participatory processes.

Under EC, Indigenous-devised Development Agendas are at the heart of local nomination and prioritisation of problems that matter for Indigenous people in EC regions. As such they are considered a key tool for Indigenous people and organisations to increasingly drive reform in those priority areas that have been identified as of most importance to local people.

Under the EC model, these Development Agendas form the basis for a long-term place-based strategy to guide action to close the gap on the ground where people live. Through these Development Agenda's, actions taken to build the individual and family capabilities needed to close the gap differ in each region according to their local context and circumstances.

The Development Agendas underpin partnership negotiations and agreements struck with governments about priorities, policies, programs and funding. Development Agenda's reflect community priorities, guide co-design of programs and processes and help prioritise investment decisions. EC strongly supports a model where decisions about FAC funding are tied to a genuine on the ground co-design and shared decision making process. We consider this the best way to ensure that those most impacted by services are able to be heavily involved in the planning, design and decisions making about the types of services and the level of funding flowing into their communities.

**11. What would you highlight in a grant application to demonstrate a service is connected to the community it serves? What should applicants be assessed on?**

See response to Q10 above.

**12. Beyond locational disadvantage, what other factors should the department consider to make sure funding reflects the needs of communities?**

As discussed above, the use of Development Agendas and shared decision making processes is one of the most impactful ways that government can ensure that

programs and services are designed to reflect the needs of local people and are implemented in a way that meets those needs over the life of the program or service.

Shared decision making is an important EC innovation that operationalises the ability of Indigenous people on the ground in EC regions to share real power with government and influence decision making in a meaningful way. Through shared decision making, EC regions convene panels of community members to make recommendations to government on decisions affecting the region. Through this approach panels of local Indigenous people in EC regions have provided input into government decisions about more than \$300m in government funding coming into our regions.

When combined with the use of the Development Agendas, it provides a comprehensive mechanism to ensure that government funding is directed in a way that reflects the needs and priorities of local families and people. For this reason, EC recommends that DSS consider how the use of Development Agendas and shared decision making could be incorporated into the new FAC program to ensure the needs of local families are genuinely considered in program design, funding decisions and the rollout of programs and services on the ground. While this may require additional up front design and planning, the Productivity gains delivered by shared decision making are that it:

- ♣ Reduces duplication of effort, for example through multiple providers being funded to deliver identical or similar programs or services in the one location.
- ♣ Identifies and rectifies ineffective or inefficient programs or services that are not delivering as intended to meet the needs of local people.
- ♣ Identifies opportunities to redesign or better target existing or new programs to better meet the needs of Indigenous people.
- ♣ Consistent with the EC subsidiarity principle, over time shift funding from national/state-wide providers who are not located in the region to organisations that operate close to the ground.
- ♣ Consistent with overall Government aims, over time shared decision making can help shift funding from non-Indigenous providers to local Indigenous providers, ensuring any necessary local capability is built during the transition period.

The Empowerment gains delivered by shared decision making are that it:

- ♣ Enables Indigenous people on-the-ground to share decision-making with government funders and have a direct say about issues that affect them and their families and communities on a day-to-day basis.
- ♣ Begins to transform the business-as-usual approach which is entirely supply

side driven, to provide demand-side input to iteratively build Indigenous responsibility, empowerment and improve services.

- ♣ Ensures local people have the program and service delivery data they need to make considered decisions in the shared decision making process.
- ♣ Supports local people as necessary to strengthen capability to fully and proactively participate in shared decision making process.

**13. What's the best way for organisations to show in grant applications, that their service is genuinely meeting the needs of the community?**

See response to Q12 above.

**14. How could the grant process be designed to support and increase the number of ACCOs delivering services to children and families?**

As outlined above, EC strongly supports the principle of subsidiarity—that authority to decide and act should rest at the closest level possible to the people or organisations the decision or action is designed to serve. The principle of subsidiarity is an important element in our concept of Indigenous Empowerment. Together with Indigenous self-determination and the mutual rights and responsibilities shared between Indigenous people and governments, it is at the heart of our Indigenous Empowerment reforms.

Our Indigenous Empowerment framework is based on the premise that Indigenous Australians have a right to development, which includes our economic, social and cultural development as families, individuals and communities and as Indigenous peoples. It recognises the primacy of the local nature of peoples and places and is aimed at the empowerment of the families and individuals connected to those peoples and places. Our approach:

- ♣ recognises that strong Indigenous organisations are vital to building the Indigenous leadership and capability needed to drive reforms to Close the Gap, as noted in the EC Design Report; and
- ♣ is committed to building the formal Aboriginal and Torres Strait Islander community-controlled sectors to deliver services to support Closing the Gap in EC Regions as envisaged under the National Agreement for Closing the Gap 2020, including to:
  - i. empower Aboriginal and Torres Strait Islander people;
  - ii. achieve better results; and
  - iii. increase job opportunities for Aboriginal and Torres Strait Islander people.

Large NGOs have become part of the passive welfare and service delivery problem



that plagues Indigenous Australia. It is time for Government, NGOs and Indigenous reform leaders to work together to address this situation and plan for a transition away from service provision dominated by large NGOs to arrangements that allow Indigenous responsibility and leadership to grow.

In such a transition, NGOs would continue to have important but different roles to play. There would be some continuing service delivery functions for NGOs where those organisations are unequivocally the best equipped in terms of expertise or overall capacity to deliver a service or program.

Some NGOs may be well placed to play a valuable support role to Indigenous organisations wanting assistance to strengthen capabilities as they take on different roles. There are lessons to be learned from NGOs that have operated successfully, and engaging NGOs in this type of role would start to shift their involvement in EC regions from one that exacerbates Indigenous disempowerment to one that helps build empowerment. It must be noted however, that strong Indigenous-led organisations are necessary for driving this reform.

To support the transition from NGOs to ACCOs, DSS could consider a number of options in the design of the new FAC program guidelines:

#### 1. A carve out of funding for Indigenous specific programs and services

A carve out of FAC funding that is dedicated to the provision of services to Indigenous people would provide one avenue to ensure Indigenous specific needs and priorities can be appropriately funded within the new program arrangement. This approach could include a proportion of the total funding available being set aside for applications from Aboriginal Community Controlled Organisations and/or a separate application and assessment process for organisations proposing to deliver services to Indigenous clients. The application and assessment process should include a shared decision making process, whereby local people on the ground are able to co-design projects and make funding recommendations to government consistent with closing the gap priority reforms 1 & 2.

#### 2. A carve out of funding specifically for EC Regions

This carve out would operate as outlined above, although would only apply to EC regions where long-established shared decision making processes are already in place and have been used effectively to determine Indigenous Advancement Strategy funding for the past 8 years.

### 3. Alternate Selection Criteria for Providers delivering to First Nations people

If a carve out is not possible and ACCOs are to be considered alongside other providers, the selection process should be amended to appropriately recognise the strengths of local Indigenous-led organisations in driving outcomes on the ground. In particular, the selection criteria could be focussed on preferencing those service providers who have a genuine connection with, and a strong track record of delivery in, the communities and/or locations where they are intending to deliver services. Such criteria could include a focus on:

- The nature of the provider's operational presence on the ground;
- The number of Indigenous staff they employ, including number of local indigenous staff;
- Their experience co-designing, working and delivering programs in the location where service delivery will take place;
- Their track record of delivery, particularly the outcomes they have been able to achieve with local Indigenous clients.

In particular, the selection criteria should clearly and transparently recognise the strengths of local Indigenous-led organisations and a track record of success and commitment to driving development.

### **15. What else should be built into the program design to help improve outcomes for Aboriginal and Torres Strait Islander children and families?**

See response to Q14 above.

### **16. What types of data would help your organisation better understand its impact and continuously improve its services?**

EC supports a model of measuring outcomes that is child/parent centred rather than activity centred. EC would support the introduction of a case management style model that identifies those children under five and tracks their progress throughout their life to the age of 21. This type of model would enable community and government to assess holistically whether government funded programs (and community led initiatives) have actually changed the trajectory of young lives. The types of information that could be collected are:

- the programs this cohort of children have accessed,
- the supports they have been provided (by community and government),
- what programs and initiatives have had the greatest impact and what that impact

has been,

- the intersection between programs and how they supported or hindered real outcomes
- how the child's life trajectory has changed including a comparison to national data sets

EC understands that this would be an ambitious undertaking, however we consider that over time it would allow a true longitudinal data set to be available that measures long-term outcomes rather than the relentless focus on short-term performance measures. The model could start small (in one community or region) and scale over time if proved effective.

EC appreciates that some short-term performance measures will also be required to track the progress of funded activities and to release payments, however this should be the secondary focus of reporting requirements, while a focus on the achievement of outcomes for every child and family receiving assistance should remain the primary focus.

EC also notes the importance of effective monitoring and evaluation efforts that focus on outcomes, rather than inputs and outputs. Any monitoring and evaluation framework should be informed by Aboriginal ways of working. EC supports the intention of DSS to streamline reporting arrangements as much as possible under the new FAC program.

EC supports a community-led, ongoing 'learning as we go' or 'learning by doing' model that can help ensure activities and services can adapt and changes in 'real time' in response to place-based successes and failures. The approach works best when it is designed and directed by community members at the local level, to enable on the ground learning. The focus of our approach is to ensure data and progress towards outcomes can be monitored in real time. This will result in more agile decision making so projects can pivot as needed based on the real-time results that are being seen on-the-ground as the project rolls out.

**17. What kinds of data or information would be most valuable for you to share, to show how your service is positively impacting children and families?**

See response to Q16 above.

**18. If your organisation currently reports in the Data Exchange (DEX), what SCORE Circumstances domain is most relevant to the service you deliver?**

N/A

**19. What kinds of templates or guidance would help you prepare strong case studies that show the impact of your service?**

See response to Q16 above.

**20. What does a relational contracting approach mean to you in practice? What criteria would you like to see included in a relational contract?**

EC supports a Partnership approach that is focused on replacing the traditional top-down government service delivery paradigm, with an Indigenous led empowerment, development and productivity focused partnership to drive on the ground change.

This Partnership approach looks beyond the short 3-year funding cycles by focusing on outcomes that can be achieved over a generation. While further information is required regarding the Department's view of relational contracting, from the information that is available it would appear to align with EC existing partnership principles which are focussed on:

- establishing trust and building respect,
- identifying clear governance and accountability frameworks,
- sharing power with Indigenous people including decision making power,
- being responsive to community needs and ensuring there is accountability back to local people,
- targeting effort and resources to those areas where the need is greatest, and the gap is widest.
- embracing flexibility to adapt to changing needs on the ground, and
- a focus on outcomes for people, not just reporting metrics.

Shared Decision Making is Critical to the Success of Any Contracting Model  
As outlined above, EC's shared decision making about place-based funding decisions appears to be the most tangible form of shared decision making achieved to date. The progress that we have made to date in influencing decisions about funding is only one aspect of what is required to ensure Indigenous people are truly empowered to share decision-making authority with governments. A relational contracting model provides an opportunity to embed shared decision making into the operational arrangements of the FAC program.

For EC, genuine shared decision making is about more than consultation with Indigenous people, it is about ensuring that Indigenous people are empowered to

meaningfully shape government policy by being involved at every stage of the program life cycle including:

- ♣ initial program design and the development of program guidelines
- ♣ active involvement in funding decisions including through the involvement of panels of local Indigenous people having the opportunity to input into grant assessment processes and funding decisions
- ♣ participating in robust evaluations of both program and service provider effectiveness in a way that enables government to hear directly from people on the ground about the effectiveness of the services being delivered.

Shared decision making has an enormous capacity to accelerate policy and place-based progress on Closing the Gap reforms. To achieve this outcome however, it must be embedded in the organisational structures of government agencies and programs through formal partnership arrangements and contracting models such as those being proposed in the FAC Discussion Paper. Success in progressing shared decision making in the FAC program could provide an important proof of concept for other programs and agencies to follow. On-the ground, it will be most effective in locations where there is strong leadership present, and local governance structures are in place to drive reform. Ongoing learning, including in real time, and rigorous local accountability for decisions made, actions taken and results delivered must be an essential feature of any relational contracting model.

EC would welcome the opportunity to explore and co-design with DSS an effective relational contracting approach.

### Contracting Approaches

Based on lessons from the Australian and international experience, EC considers that it is possible to identify a set of characteristics common to funding models that have supported organisations to focus on achieving genuine development outcomes. These funding models:

- ♣ include an agreed performance management framework that provides incentives for organisational effectiveness and efficiency in delivering program outcomes
- ♣ explicitly cover and fund core governance functions, community planning and co-design processes, operational overheads and defined areas of activity
- ♣ provide certainty through secure funding for the medium term (five years)
- ♣ require downward accountability mechanisms undertaken by the funded organisation including to local people on the ground who are the users of funded services.

Funding agreements of this nature would support local innovation and decision-making and strengthen the role of high-performing Indigenous organisations and their leaders to act as catalysts for development, as well as, potentially for broader reform of funding arrangements across the Commonwealth in the future.

**21. What's the best way for the department to decide which organisations should be offered a relational contract?**

See response to Q20 above.

**22. Is your organisation interested in a relational contracting approach? Why/why not?**

Yes. See response to Q20 above.