



## A stronger, more diverse and independent community sector Issues Paper

A submission to the Australian Government  
Department of Social Services

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**yourtown** is a trusted provider of services for young people, with a focus on mental health and wellbeing, parenting and early childhood development, long-term unemployment, prevention of youth suicide, child protection, and support for those experiencing domestic and family violence.

The organisation has developed a diverse funding model which includes the conduct of charitable art unions, corporate partnerships, fee for service, donations and philanthropy and governments.

As a result of the diversity in funding **yourtown** has evolved to helping hundreds of thousands of young people each year through a range of service offerings, supporting them through many difficult challenges.

### **Our services:**

- Employment, education, and social enterprise programs to help long-term unemployed young people re-engage with education and/or employment
- Domestic and family violence refuge, accommodation, and therapeutic supports for women and their children, including post-refuge support
- Accommodation and therapeutic supports for young parents and their children at high risk
- Parentline, a telephone and online counselling and support service for parents and carers in the Northern Territory and Queensland
- Expressive Therapy interventions for young children and infants who have experienced trauma and abuse, or been exposed to violence
- Young Parents Program providing parenting support to help with child development, life skills and health and wellbeing activities in safe, supportive environments.
- Kids Helpline, providing professional counselling and support to 5–25-year-olds across Australia since 1991
- Kids Helpline @ School and Kids Helpline @ High School, which delivers early intervention and prevention programs through primary and secondary schools
- My Circle, a confidential, private, online peer support network for 13–25-year-olds to share information and build coping skills, and
- Mental health service/s for children aged 0-11 years old and their families, with moderate mental health needs.

### **Kids Helpline**

**yourtown's** Kids Helpline is Australia's only free and confidential 24/7 phone and online counselling service for any young person aged 5 to 25. It offers children and young people a range of care options that are right for their needs and circumstances. Our commitment to being there anytime, and for any reason, has meant that we have responded to more than 8.7 million contacts from children and young people nationally in the 32 years since our service was first established, while also providing tens of millions of self-help interactions via our website and social channels. In 2022, our Kids Helpline counsellors responded to nearly 145,000 contacts from children and young people across Australia, including 5,026 crisis responses for children and young people at imminent risk of harm.

### **Family and Domestic Violence Refuge and Transitional Housing**

**yourtown's** 100% independently owned and operated refuge funded through community support offers supported accommodation for up to 12 weeks. A specialised team provides women and children with a safe and welcoming environment and creates opportunities for mothers to re-build self-concept and experience control and empowerment over their lives. The wrap-around care also includes linking with transitional housing and community outreach programs for women and children exiting refuges. Transitional housing is a vital steppingstone for women and children moving towards long-term, safe and sustainable independent living in the community. This housing offers a safe and supportive environment for 6 – 12 months, with support for legal and financial matters, accessing pre-employment support, and helping children into school. In 2022-23, we supported 73 mothers and their young children in our refuge and 14 families in our transitional housing.

## **Children and Families**

**yourtown** provides accommodation and intensive individualised support to vulnerable young parents and their children through our San Miguel service. For over 40 years, San Miguel has provided a place to call home for vulnerable and at-risk families. In 2022/23, San Miguel supported 35 parents and 38 infants and young children.

## **Early Childhood Development Programs**

We support vulnerable pre-school aged children to make a successful transition to school by using prevention and early intervention approaches to create health families and strong, child-friendly communities. This includes working with parents to better understand their child's barriers to reaching social development milestones, how to help them thrive at school, collaborative case management and support, and in-home help. In 2022/23, we supported 179 families in South Australia and Tasmania.

## **Employment Services**

For over 20 years **yourtown** has been delivering specialist youth employment services. Our employment services programs, including Transition to Work fully funded by the Federal Government, Skilling Queenslanders for Work fully funded by the Queensland Government, and Get Back in the Game fully funded by the New South Wales Government, provide young people with training to expand their options and help them find sustainable employment. Over the last seven years we have secured more than 37,000 job placements for young people. During 2022/23 there were more than 4,000 commencements in our employment services in Queensland, New South Wales, and South Australia.

## **Social Enterprises**

**yourtown** has worked with young people and employers to break down barriers to sustainable employment for more than 20 years. We deliver a wide range of projects for Local Councils and State and Federal Governments. As a leader in work-based enterprises we provide young people at risk of long-term unemployment paid jobs in the following areas: construction, landscaping, and asset maintenance to help their transition to open employment. In 2022/23, 201 young people were employed in our social enterprises across Queensland, New South Wales, South Australia, and Tasmania, with 90% transitioning into longer term employment in the open labour market or progressing into education.

## **ParentsNext**

ParentsNext is fully funded by the Federal Government. We provide specialised support for parents with children under six years of age, to plan and prepare for their future employment in regional South Australia, from Port Pirie. Our primary goal for ParentsNext is to empower parents to embrace life changes, improve their skills and self-confidence, and achieve their education and employment goals. More than 1,200 young parents participated in our ParentsNext program since it commenced in July 2018.

## **Parentline**

Parentline offers free confidential phone and webchat counselling and support for parents and carers of children in Queensland and the Northern Territory. It offers a safety net for families by providing support when it is most needed. This includes after hours and weekends, where families feel isolated and where local services are unavailable. In 2022/23, parents and carers in Queensland and the Northern Territory attempted to contact Parentline over 12,000 times.

**yourtown** welcomes the opportunity to respond to the Australian Government's consultation on its election commitment to develop 'A stronger, more diverse and independent community sector'. Of particular interest is how the Department of Social Services (DSS) can better support Australian communities through the design and administration of its grants processes and foster meaningful working relationships with the sector. **yourtown** considers that to deliver on this commitment it is critical that:

- Grants processes support the true cost of tendering for, and delivering quality services, with options for longer-term contracts so workers have certainty and Community Service Organisations (CSOs) can plan for the future, apply continuous improvements based on learnings, and be integrated within the communities they serve, and
- Governments treat CSOs as respected partners, with meaningful engagement processes in place to ensure the sector (and those they serve) have a genuine voice in attempting to meet the needs of communities and populations.

**yourtown** has been supporting children and young people across Australia since 1961. We, like the sector, have proven ourselves to be resilient, tenacious, innovative, and responsive to need. For decades, the sector has stepped up swiftly to meet emerging needs, and remained undaunted during economic crises, natural disasters, and pandemics. Despite the revolving door of politics and shifting political and policy agendas, the sector has remained steadfast in its service of the community, relentlessly committed to meeting the needs of those who need support. Whilst we support policy and processes which seek to strengthen the sector, it is also important to acknowledge that there exists great strength already.

However, like other CSOs our sector is experiencing new and emerging pressures. We are experiencing increasing demand particularly from clients with complex needs, all within the context of a steep escalation in the costs of doing business and significant workforce shortages.

**yourtown** receives funding from various Australian Government Departments, including DSS, the Department of Health, and notably the Department of Employment and Workplace Relations to deliver employment services for more than 20 years. However, we have been deliberate in building a revenue model which is diverse and only partially dependent up Government. Overtime we have strategically adapted our model to diversify our funding sources to include substantial community support through our Art Union and community fundraising, as well as corporate and philanthropic support to secure long-term strength, independence, and sustainability of our services.

Given our extensive experience, we are well-positioned to provide feedback on the Issues Paper. The following sets out our responses to select questions in the paper.

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

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

Governments and CSOs both want to solve wicked problems. However, inevitably the grant process results in a Catch-22 situation. Government holds the main source of data/evidence highlighting the problem. However, Government does not effectively share data to validate or highlight where there are gaps in knowledge *prior* to a grants process thereby restricting full evidence-based collaboration with the community sector to find the best solution.

Evidence should also not be limited only to data or statistics but must include lived experience and qualitative evidence provided by the community/proposed clients, and workforce. True partnership involves bringing together of two or more parties to share ownership and responsibility for outcomes. There needs to be a shared responsibility over ideas, information, processes, and outcomes.

However, in adopting a partnership model, recognition should also be given to the power imbalance between government funders and CSOs which can make it difficult for true engagement and consultation to occur. Governments must be deliberate in managing the power imbalance to engage and collaborate properly with, rather than dictate, to CSOs.

Recently, we have seen government departments exploring the idea of rebuilding their expertise within their remit so they can meaningfully work with CSOs. Some departments have found that outsourcing roles and/or employing people without community sector experience has led to gaps in their knowledge. This new approach of including employees with sector experience would help governments to understand and relate to CSOs, building a stronger foundation for a meaningful partnership. However, an unintended outcome of this strategy is that staff from the community sector have moved into government, leaving workforce gaps in the sector that are not quickly nor easily filled, particularly where they offer higher remuneration that cannot be matched by the sector.

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?

The Issues Papers notes that government is moving towards inclusion of greater public participation in problem-solving and solutions generation via co-design processes; however, grant funding rarely covers the costs for these processes. **yourtown** strongly advocates for governments to find opportunities in the policy design, program development and grant lifecycles to implement human-centred design<sup>1</sup> and co-design processes<sup>2</sup>. The tender process could be divided into two parts: 1) design and consultation; and 2) tender for the service delivery. Government must allocate sufficient time and budget to ensure the community sector, including service users and those not able to access services, can participate in these processes. Further, CSOs invest significant time and resources into maintaining lived experience networks, which is continuous work that extends beyond the life of most grant-funded projects. Overhead allowances should be provided, including remuneration for participants in these processes.

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

What would adequate and flexible funding look like? How are rising operational costs impacting the delivery of community services? What administrative and overhead costs are not being considered in current grant funding?

The government has put in place measures (additional funding, ongoing adjustment to funding indexation, \$560 million in budget allocation) to support CSOs with financial pressures due to additional staff wage pressures and higher inflation outcomes. However, these measures do not include the broader costs that CSOs are required to expend to ensure they are meeting government-driven standards. Regulatory compliance has increased dramatically over the last few years and looks completely different from 10 years ago. There is a plethora of new regulation requiring complex and costly compliance and reporting, whether to meet data, technology, and information security requirements; safeguarding; modern slavery; human rights; or quality and performance sector standards to name but a few. Topping up funding to address an increase in CPI or wage indexation is like providing funding for icing without fully funding the cost of making the cake.

Grants need to reflect the true costs and challenges of tendering, as well as operating programs and services. This can be achieved by providing funds for specific purposes (e.g.

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<sup>1</sup> A problem solving technique that places real people at the centre of the development process, enabling the creation of products and/or services that resonate and are tailored to the audience's need.

<sup>2</sup> Design process that is participatory, in which community members are treated as equal collaboration in the design process.

technology) or allocating a proportion of the grant amount for general purposes (e.g. for administration, compliance). CSOs invest in a range of organisation support systems to ensure quality services are supported, delivered safely, and have the capacity and resources to provide outcomes for communities. Examples of additional costs incurred by CSOs delivering contracts that are not adequately covered by the funding envelope include:

- *Technology*  
**yourtown** delivers Kids Helpline, a free and confidential 24/7 phone and online paid professional counselling service for any young person aged 5 to 25 across Australia. The technology cost profile (e.g., for uplift and cybersecurity) of delivering virtual services differs vastly and is continually increasing from when the service began more than 30 years ago, and even during the last 10 years. Of note, cybersecurity costs for organisations which hold sensitive information as is the case for **yourtown** have increased significantly.
- *Administration*  
Grants should include a specific additional allocation e.g., 20% of the grant amount, to cover costs associated with capturing, reporting, and delivering data evidencing impact, and to meet increasingly complex regulatory requirements particularly to ensure the safety and wellbeing of vulnerable participants.
- *Compliance, standards, and safeguarding*  
The increase in compliance regimes is government-driven but CSOs do not receive support from government to put the systems in place to be compliant or to monitor their standards. CSOs recognise the importance of compliance (e.g. Digital Mental Health Standards, National Principles for Child Safe Organisations, Right Fit for Risk Cyber Security Accreditation, etc) and will pay the costs to implement and monitor standards. The community sector has echoed these sentiments to government, but the Issues Papers does not mention ways the government will address these broader costs, including the increasing cost of digital technology and infrastructure required to capture data and report on compliance.
- *Evaluation, longitudinal measures, and co-design*  
Grant arrangements should fund the different levels of evaluation (e.g., short versus formal) and co-design (e.g. consultation, research, or human centred design) that may be required within the program development and operation lifecycles.
- *Time taken to build trust and relationships with communities*  
When co-design is a grant requirement, often the funding allocated does not account for the time and resources required to set up lived experience networks and adhere to frameworks.
- *Staffing and other considerations*  
Many grants exclude funding for staffing costs. The implied assumption is that people who contribute to community service delivery should not be paid or that their compensation is not the government's responsibility. This creates a funding landscape that privileges larger organisations with more resources, over smaller organisations that rely on grant funding to deliver essential services. Supplementation and indexation earlier in the financial year would enable better planning and financial management.

## Providing longer grant agreement terms

What length grant agreements are CSOs seeking to provide certainty and stability for ongoing service delivery?

Ideally, contracts should be five years in length at a minimum, with an option for up to another five years extension where performance meets or exceeds the agreed key performance indicators. This would include regular set evaluation and review points.

Government should recognise that the creation and entrenching of value is more likely to occur in longer-term initiatives. Shorter contracts present risks including higher staff turnover, disruption of service continuity, and inadequate time for CSOs to build trust with communities and gain traction on projects, particularly with vulnerable people and lower socio-economic areas.

One-off grants, without provision for ongoing funding do not lead to sustainable outcomes. While one-off grants are often used to fund innovation, they are rarely followed up by grants to establish the program. This leaves limited avenues for further funding for projects that achieve good outcomes during their pilot. Try Test and Learn was a good concept but there were often very limited pathways for models with good outcomes to become business as usual or for the learnings to be shared and implemented across other areas. Short term funding for projects without planned ongoing funding unfairly raises hopes and expectations of the community, is expensive for CSOs, leads to short term employment and skill development (that is then lost), and does not foster collaboration or sharing of learnings.

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

Commissioned services can be quite prescriptive in their service model. There needs to be flexibility to adapt service models to specific communities and their changing needs. When CSOs observe changes in community needs, they should be able to approach funders with a proposal informed by evidence and a theory of change to adjust the funding guidelines.

## Ensuring grant funding flows to a greater diversity of CSOs

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

Governments should not be working towards a goal of ensuring grant funding flows with greater diversity. The main goal of funding should always be that the sought impact is achieved. Diversity for diversity's sake is not a goal that would create value and may lead to greater confusion with communities. Governments need to achieve an appropriate balance between partnering with and supporting trusted community organisations with strong links and ensuring grant funding flows to a more diverse group of CSOs. However, new and emerging CSOs should have opportunities when they can demonstrate a strong value proposition. Innovation funds could be made available whereby CSOs could pitch their concept to advance solutions for 'wicked problems'.

Governments and the community sector should be able to discuss the need for adjustments in service delivery and innovation to meet increasing demand or emerging community needs. To meet these demands and needs, governments should recognise the ability of existing providers to be innovative, dynamic, and agile. If existing CSOs with established relationships within a community are achieving the required outcomes and impact, governments should work with these providers to see how they extend their services to meet emerging need or increased demand. If existing CSOs cannot do this, then other CSOs can be given the opportunity. Fostering sector stability and community confidence should be prioritised. Communities should not experience wide-scale upheaval for the purpose of seeking greater market competition and diversity, unless there is a gap in service delivery that existing providers are unable to meet, or current service delivery is inadequate or underperforming.

## **Partnering with trusted community organisations**

What is your experience with and reflections on place-based funding approaches? There needs to be improved mapping and coordination of state, federal, corporate, and philanthropic funding to avoid service duplication and inefficiencies in delivering services in certain locations. CSOs should look beyond governments to view how they can work with corporate and philanthropic organisations within the whole-of-community picture. We have linked with corporate partners to address gaps in government funding for important services.

There is a need for greater rigor around the definition of place-based approaches. For example, the definition could include virtual communities noting that young people will readily turn to these communities for support when face-to-face services are not available, accessible, or appropriate. Further, geographic place-based arrangements are not always sufficiently granular. For example, it might be more appropriate to consider the family unit rather than a geographic location as the central focus of the place-based approach.

We would welcome the opportunity to explore these issues with you in further detail. Should you require further information about any issues raised in the submission, please do not hesitate to contact Dr Marion Byrne, Head of Strategic Partnerships and Advocacy at **yourtown** via email at [mbyrne@yourtown.com.au](mailto:mbyrne@yourtown.com.au).