

Friday, 20 March 2015

Senator Rachel Siewert
Chair
Senate Community Affairs References Committee
Parliament House
CANBERRA ACT 2600

Dear Senator Siewert

Family & Relationship Services Australia (FRSA) welcomes the opportunity to provide input to the Senate Community Affairs References Committee Inquiry into the service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services.

By way of background, FRSA is the national representative body for 182 not-for-profit organisations that provide family and relationship services to approximately 400,000 families at 1,300 outlets across Australia each year. Member organisations receive a mix of federal, state and territory and local government funds to deliver a range of services including:

- Accommodation & Housing Services
- Children's Services
- Children's Contact Services & Parenting Orders Program
- Community Services & Playgroups
- Communities for Children
- Disability & Mental Health Services
- Family Relationship Counselling
- Family Support Services
- Family Violence Services
- Mediation, Family Dispute Resolution & Family Therapy
- Men & Family Services
- Youth Services.

Background

Many organisations were previously funded under the Family Support Program. The recent DSS programme reforms have seen service types under the Family Support Program classified as sub-activities (with components), and mostly falling under the Families and Children, Settlement Services, Financial Wellbeing and Capability or Strengthening Communities Activities of the Families and Communities Programme. Organisations are also funded under other Programmes such as the Disability, Mental Health and Carers' Programme and the Housing and Homelessness Programme. Additionally, Aboriginal and Torres Strait Islander Programmes such as the Indigenous Family Safety Programme have been transferred to Prime Minister and Cabinet.

In short, what was previously administered largely under the one programme has now been split across a number of activities within DSS and PM&C. At the same time centralised administration

has been outsourced to the DSS Programme Office and the State and Territory Office Network. Member organisations have had to navigate these changes within a short period and keep abreast of multiple policy and contact points, while continuing to deliver front-line services.

Given the magnitude of the DSS Funding Round, we have sought feedback from members on the Inquiry's terms of reference and have structured our response in the following way:

- Consultation Prior to Commencement of Funding Round
- Responding to Local Need
- Supporting Collaborative Practice
- Innovation
- Eligibility for Funding and Terms of Funding Agreements
- Communication and Consultation
- Resources Required to Complete DSS Process
- Quality of DSS Documentation and Processes
- Risk and Proportionality
- Communication Subsequent to the Funding Round
- Policy Changes and Impact on Services
- Suggestions for Next Time

In general terms, if the DSS Funding Round had been conducted in accordance with the Commonwealth Grant Rules and Guidelines 2014 and with the principles contained in the *Public Governance, Performance and Accountability Act 2013*, many of the issues outlined below would have been avoided.

Consultation Prior to Commencement of Funding Round

DSS released a Discussion Paper on the Future Directions of the Family Support Program in November 2012 and conducted consultations with the sector from November 2012 to March 2013. No further public consultations have occurred with the sector since that time (14 months). The sector expressed a range of views on the Family Support Program and potential improvements to the Program, including:

1. A desire to strengthen the ability of organisations and communities to implement services relevant to local needs as well as ensuring that Commonwealth funding is directed to as many communities as possible
2. A desire to maintain universal access to services to reduce stigma of accessing services, but acknowledging that more intensive or targeted services were required for those most in need
3. The acknowledgement that collaboration is important, but also time-consuming and that support and incentives may be needed to realise this aim
4. A need for workforce capacity building. In particular, access to tools to implement evidence-based practice, networking opportunities and better platforms for information sharing
5. A desire for a review of the performance and reporting framework to enable meaningful reports to be generated by providers to measure their own performance, plan their services better and enhance service delivery to clients
6. The need to reduce and simplify the amount of administrative reporting
7. The need to provide longer-term certainty around funding arrangements

8. Confirmation of high numbers of clients with complex needs in family law services;
9. The need for more funding flexibility to meet local needs, and
10. The need for more capacity for legal assistance in relation to separating or separated families with complex needs.

These findings still hold true for members and while some have been addressed by DSS during this funding round, others remain outstanding (specifically items 1-3, 8,9 and 10).

We surveyed our members from 13- 23 March 2015 and received 47 responses. The majority applied for funding under the Families and Children, Financial Wellbeing and Strengthening Communities Activities, followed by Community and Mental Health and Ageing and Service Improvement Activities. Almost half (46%) received part of the funds applied for, while 43% received no funds and the remaining 11% received all the funds applied for.

Commitments made by DSS at FRSA's Senior Executives' Forum in March 2014 and FRSA's National Conference in November 2013 to consult broadly with the sector were not met.

Responding to Local Need

Aspects of the DSS funding round were contrary to items 1-3 above. In particular, the complex approach to funding Families and Children sub-activities (eg children and parenting support) not only made it difficult for applicants to understand what was available where, it limited the type of organisation that could apply. Applicants were advised that funding was capped at \$150,000 for each of the 139 priority service areas and that no cap applied outside these areas, where 50% of total funding (ie \$70M) was available. Applicants were required to deliver to all areas of a priority service area. Applicants could also apply to deliver state-wide or nationally. If an applicant sought to deliver outside a priority area, state-wide or nationally, preference was given to proposals outside Communities for Children Facilitating Partner areas and to services that did not duplicate existing services in the area (Commonwealth and State).¹ The selection criteria were generic, with no weightings applied even though preferences were expressed in the Questions and Answers page.

It is assumed that this approach was taken to ensure a balance of universal versus targeted service coverage. The result was a complex process with mixed messaging – it was flexible on one level but highly prescriptive on another. A cap of \$150,000 effectively limited the size of organisations that would be likely to apply because it is not possible to establish a stand-alone service with this amount of funding. Only those organisations with an existing presence or extensive infrastructure would be in a position to do so; and even larger organisations, that had applied for multiple service priority areas but were successful in one or two, may need to re-assess the viability of committing to service delivery for relatively small amounts over large areas. The sector was not consulted on the use of priority areas, how they were defined, the setting of caps and how they were calculated and the relationship between the two.

Consequently, members felt 'blind-sided' by these policy changes:

- 93% rated the consortia policy very poor to satisfactory – 37% found it satisfactory, 49% poor and 7% very poor. 7% rated it good
- 95% rated the universal versus targeted approach with priority areas capped at \$150,000 very poor to satisfactory – 25% found it satisfactory, 47% poor and 23% very poor. 5% rated it good,

- 97% rated the universal versus targeted approach with priority areas, state and national coverage policy as very poor to satisfactory – 22% found it satisfactory, 46% poor and 29% very poor. 3% rated it good.

Less than 10% rated these policies as good and no respondents rated them as very good. General feedback indicates that the process did not take local knowledge into account and that the cap of \$150,000 was unrealistic particularly for larger priority areas (ie such as SA2 in WA, or one priority area where there are two towns, two hours apart).

Confusion on how criteria were applied is common and applicants are looking to the DSS feedback process to gain a better understanding of how funding decisions were arrived at, particularly within and across states. Some are still unaware of the outcome in terms of who is delivering what and where. Members would appreciate more thought given to how local knowledge and experience could be incorporated and taken into account in the application process. 84% of respondents rated the selection criteria (and equal weighting) as very poor to satisfactory and of these, 50% rated it as poor to very poor.

Although the Q&A sheet for children and parenting support indicates that the priority areas were defined using several indicators (including SEIFA, AEDI, growth areas etc), no information was provided on the weight given to each. Some members have indicated that locations of high disadvantage were not captured within service priority areas despite ongoing need.

Supporting Collaborative Practice

The limited time available to applicants (with advice in mid-May that the application round opened in June 2014) meant that there was almost no time to establish meaningful and effective working relationships with other organisations. Our members have also indicated that open and competitive processes force them to 'bunker down' and are the antithesis of working openly and collectively. Further, the generic selection criteria² made no specific reference to collaborative partnerships. The closest they get is asking applicants to demonstrate how their proposal will achieve the objectives for all stakeholders, including value for money. During the funding process, DSS advised that it was not prescribing the requirements or parameters for collaboration; and that service providers should determine the value of collaboration to themselves and their clients when identifying opportunities.³ We propose that collaboration should be specifically referred to in the generic selection criteria and, further, that it should be weighted. DSS' current approach places all the onus on organisations to determine what is required and fails to recognise and acknowledge (through the selection criteria) the time and resources required to establish and maintain these important relationships, particularly at the local level. If DSS applied preferences for collaborative practice, weightings were not published. We consider that the lack of clarity in the programme guidelines, application information and Q&As posted during the funding round are contrary to section 8 of the Commonwealth Grant Rules (collaboration and partnership).⁴

As one respondent indicated

“Good partnerships and collaboration are driven by client need not by the forming of consortiums for the purpose of funding applications. In addition, good consortiums require input and resourcing - these issues were not taken into account. All submissions (with the exception of Settlement Grants) were mainstream and place based. This completely leaves out the targeting of specific vulnerable groups and will lead to gaps in service delivery.”

DSS also advised that organisations could apply for multiple activities; however, they could only apply for most activities once. With regard to sub-contracting and consortium arrangements, a lead was required⁵ and it was not possible for the same agency to apply as a consortium member and single entity for the same sub-activity in the same location. Adopting a more flexible approach to consortia and sub-contracting arrangements would be one way of fostering collaborative practice. Currently, applicants must decide whether to apply as one or the other and are forced to put 'all their eggs in one basket.' The other difficulty with not advertising funding amounts by location (outside of priority areas) is that a consortium may submit an application for a particular amount but then be offered something less. This could potentially jeopardise some arrangements because the activities and amounts agreed to amongst organisations at the start of the application process no longer apply.

Innovation

Innovation is not specifically referred to in the generic selection criteria. However, as part of the Families and Children Activity, organisations may choose to use up to 10% of their funding for innovative projects and this is to be negotiated as part of the funding agreement.⁶ This does not top up service delivery funding but rather 'permits' organisations to negotiate a re-direction of their already limited funds from front-line service delivery to innovation. We consider it timely to remember that this service sector consists of workers that have been, for the most part, under-resourced for many years as evidenced by the Social and Community Services Equal Remuneration Order. Given the size of the Families and Communities Programme we think it is disappointing that a separate innovation fund could not be established. It is also unclear what the negotiations with DSS will entail (yearly or once during the term of the funding agreement) and what the associated reporting requirements will be.

Eligibility for Funding and Terms of Funding Agreements

Many of the Families and Children's Activities now funded under the Families and Communities Programme were funded under the Family Relationship Services Program (and then the Family Support Program). Eligibility for funding under the previous programs was limited to incorporated, not-for-profit, community-based organisations. This changed in 2005-06 with the rollout of Family Relationship Centres with eligibility expanded to include for-profit organisations but only with respect to Family Relationship Centres.⁷ Family Support Program documents (guidelines, information for applicants and 16 service type descriptions) accessible on the DSS website define what constituted an eligible activity for funding but not what type of organisation was eligible to apply.⁸ We were not advised of any significant changes to eligibility criteria and are unaware of any public consultation on this issue. The first blanket inclusion of for-profit organisations appeared in the Families and Children Programme Information available during the funding round where eligibility was defined to include for-profit companies.⁹ The most recent Programme Guidelines now include the statement that "For profit entity types specified above may be invited in special circumstances".¹⁰ We consider that the lack of consultation on this significant change and lack of information on what constitutes 'special circumstances' are contrary to two principles contained in the Commonwealth Grant rules - robust planning and design and collaboration and partnership.¹¹

- 91% rated the eligibility policy very poor to satisfactory - 21% found it satisfactory, 51% poor and 19% very poor. 9% rated it good to very good.

The DSS website states that it is committed to longer term funding agreements as this provides certainty in service delivery.¹² At the start of the funding round, DSS reiterated this policy position. However, during the process this commitment shifted particularly after the Williams No.2 decision was handed down.¹³ Some services (such as Find and Connect and Forced Adoptions) have had to compete in this open-competitive process but have only been offered shorter term agreements. We suggest that, for shorter term funding agreements, alternatives to open-competitive processes should be pursued. The longer term implications of the Williams' decision have not been outlined to the sector.

Communication and Consultation

As noted earlier, DSS consulted with the sector on the Future Directions of the Family Support Program in March 2013 but no significant public consultations on policy matters, with respect to the Families and Children activities, have occurred since that time. All public sessions have been information sessions with no opportunity for feedback to inform or develop DSS policies and processes. The first public information sessions were held in May-June 2014. From mid-May onwards members were advised that existing funding arrangements would be extended to February 2015 for some service types, while for others (such as family law, family relationships and communities for children facilitating partner) five-year funding agreements would be offered. At around this time, organisations were also advised that the funding round would commence on 19 June 2014. Existing funding agreements were due to expire in June 2014.

Conducting generic information sessions and presenting information as a *fait accompli* does not constitute consultation. We consider that DSS review the timing, content and purpose of these sessions. Furthermore, information sessions conducted in the 'shadow of a tender process' are a misnomer. Probity dictates, for very good reason, that such sessions must be highly regulated and controlled to ensure that everyone has access to the same information at the same time. Such sessions cannot be responsive, free-flowing or tailored to local needs and therefore defeat the purpose. The generic nature of these sessions also meant that there was unwillingness on the part of DSS to delve into the detail of specific Programmes which is what attendees were hoping to hear.

Similarly, the November 2014 DSS information sessions on a new way of working for grants lacked detail and presented the DSS Data Exchange and Draft Funding Agreement as 'done deals'. DSS is currently developing standard reports for its DSS Data Exchange and we have requested that the working group (on which we participated in 2013-14) be re-established to continue this work. The DSS process for consulting on draft data reports consisted of posting a request for feedback on its website on 22 December 2014, with a closing date of 31 January 2015. No other communication was made available to organisations or to FRSA as a peak body. The feedback period has since been extended.

When we surveyed our members there was little difference in the ratings of the two sessions. In general terms

- 40% did not attend the sessions
- Of the 60% that attended the sessions, 50% rated the sessions as very poor to satisfactory, with the rest (5% -10%) rating the sessions as good or very good
- The November sessions rated slightly more favourably than the May sessions.

In previous years, the Commonwealth worked on developing a code of best practice for consultation with the not-for-profit sector¹⁴ recognising that it needed a relationship based on mutual trust, respect, collaboration and partnership to develop and deliver better policy and programs and strengthen sector viability. We have not been able to source a final, published report on the code but can advise that it recommended that processes should be:

- transparent, continuous (start early and be ongoing), targetted (proportionate to purpose, complexity and diversity of sector), authentic, efficient (methods should be flexible and minimise burden on stakeholders), timely (start when needs, objectives and options are identified), accessible (information should be publicised at appropriate level so that informed input can be provided), consistent and flexible (so that it is easier to participate), confidential (status should be considered with the view to sharing as much information as possible with the sector), providing feedback and conducting evaluations and reviews.¹⁵

DSS advised that, for probity reasons, Programme Guidelines could not be released until the funding round commenced (19 June 2014). The Commonwealth Grant Rules recommend that Government work collaboratively with stakeholders because “..through effective collaboration, shared understanding of expectations and positive working relationships, policy outcomes can be achieved.”¹⁶ Government should seek input from potential grant applicants when developing or modifying grant activities¹⁷, as this will:

- improve the design and delivery of granting activities
- help identify and reduce fragmentation and unnecessary overlaps in granting activities
- improve the responsiveness, flexibility and relevance of granting activities
- reduce administration and compliance costs for potential applicants and Government
- aid in the development of appropriate outputs, outcomes, impact measures, accountability requirements, governance structures and grants documentation, and
- encourage potential grant applicants to understand their legal rights and obligations.¹⁸

A survey of our members indicates that:

- 60% felt they had a good understanding of the programme reforms and funding round process before it commenced, 40% did not. Comments included “we thought we understood but as things progressed it became less clear.. and we didn’t realise the enormity of the changes at the time.. no reasons were given for large policy shifts and we were never consulted on these changes”
- The majority (87%) felt that they were not adequately consulted by Government on the programme reforms.
- 60% felt that they did not have enough information to understand what DSS was looking for and how their application would be assessed.
- Almost all (96%) indicated that now that the funding round is complete, there was not enough transparency on what evidence was used and how the decision-making process was conducted.

Resources Required to Complete DSS Process

The viability of an organisation is determined by the sum of its parts – governments benefit from organisations being able to leverage off and capitalise on the sum of their funding arrangements. This is particularly so when it comes to making the most of existing infrastructure to expand the service footprint. Conducting funding rounds in an ad-hoc and piecemeal manner

ultimately impacts on organisations' capacity to budget and plan for service delivery and in the worst-case scenario may threaten viability.

A survey of our members indicates that:

- The majority (80%) did not engage external consultants and used people in-house; only 20% engaged external consultants
- The resources required varied depending on the number of applications completed. Our responses estimated costs ranging from \$500 to \$49,500, with an average of \$13,200. As the majority used existing staff, other work was put on hold during the application period. These figures do not estimate the impact of lost service hours (as many of those involved were senior practitioners). Respondents indicated that applications involved, on average, 2-4 people during the 4 week period and approximately 30 hours per application (to cover meeting with other organisations, reading through materials, drafting and editing)

From our survey, there doesn't appear to be much connection between whether an external consultant was engaged and whether the applicant was successful. A significant proportion (38% of applicants) did not receive any funding and only 13.5% receiving all the funds applied for. As we are not confident of the key policy drivers, we cannot determine whether this was the outcome intended by DSS or whether there has been a misunderstanding by the sector of what was required (given that the majority have a good funding history with DSS). It suggests that a more detailed analysis is required and we recommend that DSS conduct a post-funding round review and use those findings to inform future rounds.

Quality of DSS documentation and processes

The Commonwealth Grant Rules require that any suite of documents that form the grant guidelines must be consistent with the Rules and in particular that:

- rules are simply and clearly expressed (officials should consider testing their clarity with stakeholders prior to their release)
- eligibility and assessment criteria are clear
- forms should be easy to understand and provide all the necessary information
- appraisal should be timely to avoid possible inequities, and
- longer term agreements should be considered where appropriate.¹⁹

Applicants were required to go through numerous documents frequently throughout the application period to keep up to speed with what was required by DSS (eg Programme Guidelines, Programme Information, Q&As, FAQs). As outlined previously, preferences were expressed in Q&As although these were not reflected in the selection criteria and weightings. Additionally, where clarity was sought through the Q&A process on the programme guidelines, responses simply paraphrased the guidelines. Although the application period was limited to four weeks, responses through the Q&A process were not timely. It took 15 business days for FRSA to receive responses to questions asked through the Q&A inbox.

We surveyed our members and asked them to rate the quality and clarity of the programme guidelines, funding round summaries, application form, Q&A process, FAQs, selection criteria and grant agreements using a five point rating scale. The survey indicates that:

- 85% rated the application form very poor to satisfactory - 50% found it satisfactory, 26% poor and 9% very poor (electronic form was difficult to use and 6000 limit too restrictive)

- 87% rated programme guidelines as very poor to satisfactory – 50% found them satisfactory, 28% poor and 9% very poor.
- 89% rated the funding round summary as very poor to satisfactory – 41% found it satisfactory, 37% poor and 11% very poor.
- 86% rated the selection criteria and weighting as very poor to satisfactory – 36% found them satisfactory, 34% poor and 16% very poor.
- 87% rated the Q&As as very poor to satisfactory – 29% found them satisfactory, 36% poor and 22% very poor
- 87% rated the FAQs as very poor to satisfactory – 40% found them satisfactory, 36% found them poor and 11% very poor
- 85% rated the grant agreement as very poor to satisfactory – 61% found it satisfactory, 11% poor and 13% very poor
- Almost two-thirds (64%) felt that they had enough time to complete the funding application, while the remaining 36% felt that they did not.

General feedback indicated that many felt frustrated by the number and length of documents and the question and answer process. Respondents felt that questions were answered by referring users to the website or cross referencing to other questions (on Q&A sheet). Having to work through 50+pages of questions and answers and regularly check other documents on the website for updates was time-consuming. Many also felt that questions were not clearly answered. Many commented on the grants inbox system crashing and either not being able to submit applications or inadvertently submitting multiple applications at this time. The grants hotline could not respond to queries during this period as the 'tender process was underway'.

With respect to DSS resources

- 88% rated the DSS website as very poor to satisfactory – 54% found it satisfactory, 20% poor and 14% very poor. 12% rated it as good
- 84% rated the grants inbox as very poor to satisfactory – 38% found it satisfactory, 25% poor and 21% very poor. 16% found it good to very good
- 92% found the grants hotline very poor to satisfactory - 17% found it satisfactory, 54% found it poor and 21% very poor. 8% found it good.

Respondents indicated that the grants hotline could not respond to queries during this period as the 'tender process was underway'.

Many felt that DSS needed to be clearer and up front about what it was looking for and should have articulated its priorities and policy drivers more clearly. If they had done so, applicants would have approached it differently and all (ie applicants and DSS) would have saved a lot of time and money.

Risk and Proportionality

The Commonwealth Grant Rules require that an appropriate balance is struck between managing accountability and risk; and that risk must be taken into account when imposing requirements on others. Proportionality should be applied to inform the choice of the application and selection process, the grant agreement to be used and the reporting and acquittal requirements. The volume, detail and frequency of reporting requirements should be proportional to the risks involved and policy outcomes being sought.²⁰

We consider that the application documents contained insufficient information on risk management and how proportionality with respect to reporting and acquittal would be applied.²¹ Many member organisations have an extensive funding history with DSS and, as a peak, we have not been advised by DSS of any significant risks or issues with regard to members' compliance and performance. The sector has not been consulted on what information was used to determine the type of approach made to market for the sub-activities. While some sub-activities such as family law and family and relationship services were offered five-year funding agreements, others with an equivalent funding history and evidence base were required to compete in an open selection process during which detailed information, already held by the department (such as financial and performance reporting), had to be re-submitted as part of the application process.²² We consider that the principles of proportionality and collaboration and partnership should be applied more rigorously in future DSS funding rounds.

Communication Subsequent to the Funding Application Round

Throughout November and December 2014 we sought updates from DSS and were taking calls from member organisations who were concerned that they had not been advised of the outcome of the process and that their funding was due to cease in February 2015. A teleconference with members on 18 and 19 December 2014 identified the following issues:

- The funding uncertainty has resulted in some organisations losing staff and the majority report that staff morale is low and anxiety levels are high. Although practitioners remain professional, low morale can have an impact on clients and other staff members.
- If funding applications are unsuccessful, redundancy payments are likely to be significant (with most employees of member organisations entitled to a redundancy payment). Fairwork Australia notes that most modern awards and enterprise agreements require employers to consult with their employees regarding changes and this should include considering all options and alternatives to redundancies, such as redeployment, job sharing and reduced overtime. A notice period also applies and this depends on years of service and employee's age. With funding only available to February 2015, there is insufficient time to meet these requirements.
- In the absence of any communication between DSS, funded organisations and FRSA, it is unclear what transitional arrangements will be put in place to manage clients if there are changes to the service delivery footprint. Organisations are concerned that clients will fall through the cracks. (This was further exacerbated by the non-disclosure of funding details).
- With delays in announcements and funding only available to February 2015, the window to re-negotiate funding agreements (should an offer be made) is too narrow.
- Many member organisations have applied for funding across multiple Programme areas. They report that there is a lack of communication across the DSS and that a siloed approach still prevails. This means that the Department has not fully considered or taken into account the full range of services provided by organisations when conducting multiple funding rounds across Programme areas. The inter-connectedness of service delivery impacts on all operational aspects of member organisations – a change in funding arrangement for one service type has a knock-on effect in other areas. This is further exacerbated by State Government tendering processes that are running concurrently.

- Members appreciate having a local and direct point of contact in the state network but DSS state offices are often silent and unable to provide advice. (Given the number of programmes and agreements that state offices must administer, we strongly support DSS resourcing their network staff to attend sector-specific events (eg national conference senior executives' forum etc).
- In the absence of a more realistic transitional timeframe, ie: six months, it is realistic for the sector to expect a more concentrated level of support from DSS in the transitional period to ensure continuity of service delivery and enable organisations to either wind down or ramp up new services.

On the basis of member feedback, we advised DSS on 19 December 2014 that:

- Members would benefit from the provision of HR advice during the transition phase and with appropriate funding, such a resource could be provided through FRSA by hiring in expert HR advice for this purpose.
- In order to plan for and manage change, members consider that all funding applicants, and not just the successful applicants, should be notified of the outcome of the funding round at the same time. Organisations cannot transition clients from one service to another without knowing who the new provider is, what services they will be delivering and where they will be located.
- Redundancy payments are an unknown quantum but could prove to be significant. To assist with making these payments, DSS should approve the use of unexpended program funds in current/existing Grant agreements for this purpose.
- Members expressed an interest in a process that would support the brokering of staff (eg to facilitate staff transfers from one organisation to another). FRSA was happy to provide this assistance to members and raised the matter with DSS (but the offer was not taken up)
- If organisations are successful, it is essential that they are given sufficient time to establish services and become fully operational and this should be taken into account when negotiating the agreement and analysing performance. Realistic timeframes (up to 12 months) should apply.

On 22 December 2014 applicants were advised of the outcome (successful or not) of their funding application and told that more details would follow in January 2015. Applicants were asked by DSS not to discuss details with other organisations as the process was subject to negotiation. Applicants did not receive full details of funding offers until January 2015 and at that time were advised that the funding that was due to expire at the end of February 2015 would be extended to June 2015. Retaining staff and maintaining service continuity within this environment has been difficult. Overall, the DSS selection process has been a negative one and a missed opportunity – it has done very little to foster the mutual trust, respect, collaboration and partnership needed to develop and deliver better policy and programs, strengthen sector viability and, ultimately, improve services to clients.

A survey of our members indicates that:

- 89% rated the May 2014 letter regarding extension of funding very poor to satisfactory – 16% found them satisfactory, 42% poor and 31% very poor. 11% rated them as good.

- 98% rated the December 2014 notification letters as very poor to satisfactory – 7% found them satisfactory, 41% poor and 50% very poor. No-one rated them above satisfactory.
- 100% rated the January 2015 letter regarding funding offer and/or extension of funding to June 2015 as very poor to satisfactory – 19% found them satisfactory, 35% poor, 46% very poor. No-one rated them above satisfactory.
- 91% rated the negotiation process as very poor to satisfactory – 30% found it satisfactory, 26% poor and 35% very poor. 6% rated it as good and 3% as very good.
- 68% rated the state and territory network as very poor to satisfactory – 30% found them satisfactory, 22% poor and 16% very poor. 24% found the network good and 8% very good.

Members indicated that the timing of letters was poor and content lacked sufficient detail. Most were disappointed with announcements being made just before Christmas and felt that they have had to wait for any meaningful feedback (as at mid-March 2015 feedback sessions have not occurred and members have been advised that there is a 12-week wait). While the majority of members indicated that the state/territory office was good to deal with, the level of information that they had (or were allowed to pass on) was limited.

Policy Changes and Impact on Services

The Programme Guidelines and Application Information are important documents that define the aim, objective and outcomes of funding including client groups, preferred service models, locations and funding amounts. When the Programme Guidelines were released, without prior consultation, they were a 'game changer' in that many of the sub-activities previously funded under the Families and Children activity were no longer eligible for funding such as specialised family violence, kids in focus and family relationship services for humanitarian entrants (direct counselling and other assistance to adults were excluded). Other application information covering locations and, in particular, whether it was universal or targeted (and how need was defined and identified), capping at \$150,000 for targeted services and the opening up of eligibility to include for-profit organisations left the sector feeling 'blind-sided'. Unfortunately, no consultation occurred on these significant policy shifts. The information sessions that were conducted were of limited value.

We consider that programme changes must be evidence-based and result in improved outcomes for clients. If the sector is not consulted and the evidence on which decisions have been made is not provided, it is not possible to determine whether an evidence-based approach was used or the extent to which other broader Government policies have influenced decisions. For example, the policy to return the budget to surplus requires portfolios to identify savings; increased efficiency dividends placed on departments mean that departmental savings must be found. This could be done by administering fewer (and larger) funding agreements but has the unintended consequence of reducing diversity of providers. These broader Government policies should not be the drivers of programme reform particularly if programmes have been evaluated and shown to be effective and providers are fully compliant with performance and accountability requirements.

The majority of our surveyed members (87%) felt that they were not adequately consulted by Government on the programme reforms.

When asked what the impacts will be for clients, members indicated that:

- the range of services delivered has changed (63%)

- there has been too much mainstreaming and this will lead to specialised needs not being met (60%)
- the location of services has changed (37%)

The minority indicated that the range of service types and locations is similar (19% and 14% respectively)

Organisations commented that often clients do not want to go to other agencies and that the lack of specialised services affects the most disadvantaged and vulnerable. The new funding arrangements are not filling service gaps and that there has been a reduction in therapeutic support to disadvantaged families. Clients are now being referred to mainstream services that are already over-stretched.

We also asked members to identify the impacts this process has had on the quality, range and viability of services and they indicated that they have:

- reduced the range of services previously provided (selected by 74%)
- lost staff due to funding uncertainty (selected by 58%)
- let go of staff (53%)
- withdrawn services from location because delivery is no longer viable (46%)
- changed the service design (46%)
- transitioned clients to another service (26%)
- sourced funding from elsewhere to sustain a service (16%)
- expanded services/employed ore staff (7%)

Organisations are concerned about the loss of staff expertise and are finding it difficult to explain to staff why they are not being funded when community and client feedback has been positive. There is also some concern about the capacity of state and national organisations to deliver to local communities and a view that local services will be required to meet the shortfall. In some locations there are simply no services to transition clients to. Some members have also advised that they have been offered services in areas that they did not apply for. The lack of transparency on the decision making process makes it difficult to assess whether the rules of procedural fairness have been fully applied.

Suggestions for next time

We fully support the principles contained in the Commonwealth Grant Rules and enshrined in the *Public Governance Performance and Accountability Act 2013* particularly with respect to risk management, cooperation and partnering and accountability.²³ We are as committed as Government to ensure that scarce resources are used to assist those clients in most need and that they are directed to programmes that deliver outcomes, meet policy objectives, support quality services and represent value for money.

We asked our members to identify what could be done differently next time. The following suggestions are prioritised based on the feedback received:

- The sector should be consulted when open, restricted and direct approaches to market will apply. This information should then be clearly articulated in programme guidelines and, ideally, should be consistent across the DSS portfolio. Currently, there is no detail on when or how these decisions are made. For example,

- Direct and restricted approaches should be made where there are no or minimal changes to programmes and/or locations and where existing providers are low risk. Given the resources required to both conduct (by DSS) and participate in (by applicants) open competitive processes, specified requirements should be satisfied before proceeding (ie it is necessary to test value for money or no suitable providers are available or existing arrangements are high risk). For direct and restricted applications, no or limited documentation should be required. Better use should be made of the extensive data already held by DSS.
 - The open competitive process was resource intensive and relied heavily on the quality of written submissions. The risk is that without other sources of evidence and local knowledge such as referees and state/territory interviews, the successful applicant is the one that writes the best tender. This does not necessarily translate to the best provider of the service in a particular location. More thought needs to be given to the selection criteria (especially weighting), evidence sought and how best to incorporate local input that is not resource-intensive and does not rely solely on the written word.
- Lack of timely and detailed information has serious adverse consequences on clients as well as staff and organisations. Insufficient time set aside to work with the sector also erodes trust, respect, collaboration and partnership. More time is needed to: advise the sector of future funding rounds, prepare applications, negotiate agreements and transition clients to changed arrangements. Funding rounds should be completed (not commenced) at least 6 months' prior to the cessation of existing funding arrangements.
 - Consultation on programme guidelines and changes to policy should occur early and with the sector. The development of programme guidelines and the conduct of funding rounds should be in accordance with the Commonwealth Grant Rules and the principles contained in the *Public Governance Performance and Accountability Act 2013*.
 - Proposed changes must be evidence-based and result in improved outcomes for clients. Broader Government policies should not be the drivers of programme reform particularly if programmes have been evaluated, are effective and providers are fully compliant with performance and accountability requirements.
 - The sector should have been consulted on eligibility for funding, what constitutes 'special circumstances' and when eligibility is broadened to include for-profit organisations. This information should be clearly articulated in the programme guidelines.
 - The sector should have been consulted on universal versus targeted funding, how best to define priority areas, capping versus open-ended funding amounts and importantly, how to incorporate local knowledge/feedback into the assessment process (eg through state/territory network, referees etc).
 - The sector should have been consulted on what processes should be put in place to support collaborative practice. A more flexible approach should be taken to support multiple applications in the one location (ie sole, consortia and sub-contractor arrangements). The selection criteria should weight important policy drivers such as working partnerships and collaborative practice. The sector should be consulted on these matters.

- The change in DSS has meant that the state and territory office network administers a large number of funding agreements across the full range of programmes. To assist with building corporate knowledge it is recommended that these staff be resourced to attend sector-specific activities such as national conferences.
- The sector should have been consulted on the development and application of the DSS risk framework, particularly as it applies to the ongoing administration of programmes and how it could be used to inform/determine the approach to market.
- As in previous years, full public disclosure of the funding decisions reached by the decision maker should be publicly released as soon as possible after the decision has been made (usually via media release with a table that identifies organisation by location by sub-activity type by funding amount). The release should contain the standard caveats that information is subject to negotiation with identified organisations. All organisations should be notified directly, and at the same time, of the outcome of the process. The request by DSS that organisations remain silent during the negotiation period is a highly risk-adverse approach and ultimately compromises the quality of services to clients during this period and the relationships between not-for-profit organisations.
- Longer term funding agreements are essential, particularly if resource-intensive, open, competitive rounds continue to be conducted. It is not viable to impose, on the not-for-profit sector, these processes for relatively small funding amounts (eg \$150,000 per priority area) over short-term funding agreements (eg less than 5 years).
- The timing of funding rounds across programmes within the DSS portfolio should be streamlined and take into account other similar activities conducted by Commonwealth and state governments. Given that member organisations are funded by a number of government entities, a more streamlined approach, at least at the Commonwealth level, would alleviate pressures on the sector. Joint (or outsourced) funding rounds could be implemented (eg DSS, AGD and PM&C portfolios). Once consultation and funding round processes are bedded down, applicants would become familiar with the processes and would not have to familiarise themselves with different approaches imposed upon them, possibly at the same time, by respective government agencies.
- Given the size of the Families and Communities Programme, a separate innovation fund should be established. Providers should not be required to draw upon front-line service funding to implement innovative practice.
- An independent review of the process should be conducted (preferably by ANAO) with recommendations used to inform the next funding round.

Thank you for the opportunity to provide input to the Senate Inquiry. Please do not hesitate to contact me on 0417 220 779 or by emailing Jackie.Brady@frsa.org.au if you require any further information. We have also attached summaries of organisations' experiences for your information.

Yours sincerely

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

Jackie Brady
Executive Director
Family and Relationship Services Australia

Members have agreed to the following comments being forwarded to the Senate Inquiry:

1. Two days before Christmas we were advised that we were successful with our grant applications. Staff advised accordingly and naturally very relieved. When we got the details in January/February the location was changed which meant we had to go back to staff and advise them we could not offer employment for them in their current office; travel was not an option. Also the budget was aligned with the grant details we provided. There was no reference to the increased costs of having to set up a new office along with essential infrastructure.
2. I think I have clearly stated that the DSS funding round was not an effective way of working with NFP and definitely was not client focused on the best outcomes for the most vulnerable people in our society. Too many applications at the same time, limited time and end of financial year meant resources were more limited than normal. No funds are given to NFP to put in these applications and the grants they already have do not allow funds to be used for this purpose. It has been stressful for all staff, long unpaid hours for the CEO/Manager and as we know that some client groups have nowhere to go it obviously was not effective in achieving good outcomes. None of the funding seemed to be linked to the areas that are currently high demand (States could have told National about those). It also did not look at access, which is supposed to be a top priority and VADCAS was seen as a way of getting access to the most disadvantaged client groups.
3. I have found the whole process frustrating as the goal posts appeared to change and there was no clear guidance provided. The probity issues that the DSS hid behind throughout the process meant there was very little useful information that could be gained from trying to interact with them. The funding round appears to have been developed in haste to meet a political agenda, not to develop better services for the community. The lack of consultation and the lack of feedback have been staggering. To give thousands of organisations basically a month to get up to speed on 'a new way of working', develop new partnerships and prepare high quality applications was a nonsense. A cynic may think this process was designed to make it hard for small/medium organisations that do not have a lot of resources to compete. The disrespect shown to the sector and to the community has been mind boggling. The form emails and lack of follow up just add to the frustration. The constant extensions to funding caused by the poor process have made it hard to keep staff motivated and to maintain service quality. It's hard for people to keep on top of their own game when they are under constant threat. The extensions have only added to that burden and uncertainty. This was a flawed process from the beginning and was always going to be a 'train wreck'. The announcements and briefings at the beginning of the process showed the lack of thought that had gone into it. The poor follow up and lack of information along the journey has merely confirmed this.
4. We have lost a valuable service that provided mobile 'farm gate' visits to the rural community of Tara on the Western Downs in Queensland. The service area is some 11,500 sq.kms. Evidence abounds that rural families do not access support systems when in crisis. Yet these families are as much at risk of intervention from statutory bodies as those who are 'disadvantaged' as determined by the SEIFA process. Ongoing drought and the flow on effects, poor harvest and continual tightening of the finances all impact

upon the capacity and resilience of these families. These are the 'hidden' disadvantaged who are far less likely to actively access services. The service that was not funded visited farming families on their properties, building trust and delivering support in the family's home environment. This has been replaced by an external provider who has not delivered to regional/remote areas before with a mobile playgroup/family support. Our district already has a number of successfully operating community based playgroups reducing the options for the mobile service. Rural families will not air their problems within this public activity. Also due to playgroups being restricted to 0-5 years there is a whole range of families who would not be accessing a service. Our organisation is funded for family support by the State and are already providing a service to the most disadvantaged within our community and do not have the capacity to expand to visiting the rural sector unless to specific families who actively seek assistance.

5. The instructions were not clear and confusing hence for one of our projects we actually did not submit as we were not aware we had to tender in 2014 for a program ending in 2015. This means that even if a provider did not provide satisfactory services they could still be funded beyond 2015. For another program we did submit but were not successful and no feedback has been given in spite of registering for the feedback. Some organisations who received funding have been defunded by the state for lack of governance. This shows lack of due diligence from the government.
6. This whole process appears to have been politically motivated (to manage Government budgetary deficits) rather than being about the health and well-being of communities. The mainstreaming of service responses is in direct contrast to the recommendations of both International and Government best practice - in our case to the prevention of violence against women and children. The administration of this process was as previously described - morally reprehensible. The lack of community consultation is evident by the backlash locally to the loss of funding for the programme we have been funded for over a ten year period. An evidence based programme which has been very well researched and has International and national recognition as a promising practice. We are very grateful to the huge amount of community support we have received following the loss of this programme - driven by parents, and supported across the community.
7. Until the commencement of the funding round we were not aware that the FRSHE program would not be refunded. We were not able to find out any information in relation to why it was not funded and whether there would be a replacement program. Our queries both via the Minister and via the official hotline did not clarify what the intentions were in relation to this program. None of the programs put out for funding included the capacity for specialist counselling for the FRSHE cohort. We have still not had any clarification in relation to the transitioning of clients to other services or whether there will be any replacement services for this client group. One of our concerns is that there was no consultation prior to the funding changes in relation to the needs of this cohort and how these might be best met. From our work in this area we are aware that this cohort will not access mainstream services and neither do most mainstream services have the appropriate frameworks necessary. We are concerned that this will exacerbate issues in relation to adjusting to life in Australia, along with increased family dysfunction and contact with child protection services.

8. Too many funding streams to apply for at one time. Limited if nothing at all in regards to State or local consultation. No rationale given on why funding was cut. Over reliance on large organisations and consortiums over local and small organisations. Programs were cut with no rationale or evaluation if they were effective or not. No information given on who was cut. Services operating in the dark and others expected to take up the shortfall. No information given to how much was lost from specific areas/regions.
9. A lot of effort went into the application process. Communication was poor. The ongoing withholding of who the new providers are is causing angst across the sector.
10. We applied for funding under the Community Mental Health section. We already had funding that had been effectively used to make a significant difference to the lives of children in families where a family member has a mental health issue. We were notified that the funding would end on 31st December 2014. We applied for the new round of funding and were happy with the possibility of changing direction slightly to focus on families where children are at risk of developing a mental illness. We understood that we would know the outcome of the EOI by the end of September (an optimistic target but we naively waited!) The award that we operate under required that long term workers (which we have) be given 4 weeks' notice and up to 17 weeks redundancy payments if they cannot be redeployed. We knew that if we were successful, the existing staff would be highly suitable for the new project. We did not want to lose experienced staff unless it was absolutely necessary. Towards the beginning of September (I think) we learnt that there was a delay in knowing the outcome until the November. By this stage, we had no choice but to make staff redundant. (Already the cost of the redundancy of these staff would have to be borne by the organisation, which exists purely on the basis of government funding). Then we heard that we would know the outcome by the 31st December and that funding would be extended an additional 2 months. Then in January we learn that the funding will be extended to the 31st June. Can I ask how any viable businesses can be expected to responsibly operate within these constraints: 1. You must spend all your funding - any surplus must be returned to the government, any deficit must be carried by the organisation. 2. You must abide by the awards. 3 You must provide full service to the last day of the funding period 4. The funding period continues to change. 5 Staff cannot cope with the degree of uncertainty. 6 There is always unmet need for the service that you are providing
11. We were successful in getting new funding in the Community Mental Health area but have been told the funding can be for only two years. So we have a large amount of funding for two and a half years and if it is not refunded we will have created a huge demand for service which will then disappear. The rest of our DSS funding is for 5 years. Another example is our Communities for Children Direct funding was continued under our new submission but with the DSS meeting we were asked to show how we would service 0-12 but we pointed out that working with young parents up to 22 we focus on the children's age which is the 0-4 year old area. So while they funded our submission they then want us to change it.
12. After almost a decade of funding and no negative or constructive feedback on performance or areas for improvement from DSS, funding was lost. All deliverables had been met and exceeded during my term (in excess of 5 years) with very little DSS support, other than financial. The application's short time frame in a small organisation

with limited resources, while also maintaining levels of service delivery, made the process difficult. We have worked successfully and collaboratively across sector organisations for the above time, however this funding round has seen local organisations competing against each other in a less than even playing field. The uncertainty of funding and who will be delivering what (still unknown) has seen our community, which has a range of low levels of social indicators, suffer from the results. I sit at my desk almost 8 months after the advertised close date for the funding round, having been first told that I would finish at the end of February, now here till the end of June, not knowing who will take up the services we currently provide to the vulnerable families of our community.

13. It appears that due to the number of applications received (the number should not have surprised DSS) that some 'first round slashing' occurred - of which we were victims. Basically it appears that it wouldn't have mattered if we paid a professional and had a perfect application it would not have been successful. We are a unique organisation servicing 5,000+ nationwide clients a year that have nowhere else to go - without us there will be great pressure on far more expensive government services that have advised us that they will not be able to help or cope with the extra demand. It is this sort of background that doesn't appear to have been considered, and there was no consultation with the sector (i.e. FRSA) to confirm which services are vital.
14. We have received funding over many years from the federal government. Programs have ranged from Family Support money first granted as an out of scope program in 1982, to programs developed collaboratively through the mental health area for children of parents with mental illness, to programs developed as an innovation through the state office for aboriginal parents in the Great Southern. We have an excellent working relationship with a number of contract managers over this time. The fundamental mistake the federal government made was ignoring these relationships and this history of development. We were not informed that COPMI was no longer funded - we had to work this out for ourselves from the absence of a tender possibility when the website was activated. Many children and their families will now be without services. There was no consultation, no discussion and no reason why programs operating since 2006 had to close. We were successful in another area of prevention of mental illness for young people. Had we not been successful many staff would have lost their positions. As it is many young people are now without a service, particularly those in the 18-25 age group, arguably one of the most vulnerable in the risk of developing mental health issues. We ran a Family Support Program that was home based, research informed across the whole of the Perth Metropolitan area. This program has been running in a similar form for 30 years and there is no other like it. A strong referral base is now wondering where to send vulnerable families with new babies and mothers with post-natal depression. This service was reformed to two services capped in the southern region of the Perth metropolitan area. We applied and were unsuccessful. At the last moment we received funding until June 2015, only to be told that was not occurring, only to be told it was. Arrangements had already been made with staff so now we are left to staff a service already almost closed down. Other state run services are attempting to absorb the short fall however after June, there will be a severe reduction in service capacity. Another part of our organisation was successful in gaining a new program in the Children and Parenting area in Kalgoorlie so are now in set up mode. They have also applied under the Indigenous area to keep doing their innovative program around the small towns so there

is still uncertainty for many Aboriginal staff, often the only breadwinners in their families. So our experience is mixed and there has been much uncertainty for staff and children and families. Compared to many agencies we have technically fared well however it will take some time to rebuild any semblance of trust, something that could easily have been averted if those we knew and those who know us had been involved in the process. Local area knowledge and local organisation knowledge cannot be underestimated in achieving good funding outcomes.

15. "Thank you for conveying the Minister's offer of bridging funding to the end of June 2015. It seems that timing is everything and our financial counsellors were made redundant on 29th January 2015 since at that stage we had no indication that there was going to be bridging funding on offer. We learnt of the offer of additional funding on Friday 30th January 2015, i.e. the next day. When we were informed that we were not successful with our tender, we informed the financial counsellors immediately and considered all options for alternative positions within this agency, but none were available, redundancies were finalised resulting in their employment ceasing on 28th January 2015. We did what we had to and that is to windup the service. We had a wide area to cover with the program offering services in at least 4 rural localities and we had an arrangement for use of an office and intake/reception in those townships. These offices were informed that we were unsuccessful in our tender and these outreach services discontinued on the 29th January 2015. It would be very difficult to re-ignite these connections, the community threads and referral points at this stage. Financial Counsellors are a rare breed due to training requirements and the limited employment opportunities, so we would find it difficult to fill the position(s)."
16. Given our extensive footprint across Victoria and Tasmania, we developed a 2 State application for F&C Children and Parenting. Working with children and parents has been core business of for 75+ years. Because of the diverse geography and populations, the service delivery model was adaptable so it could be targetted and based on communities' needs. Although we have not yet had feedback from DSS, that an application drawn from such extensive expertise was not successful at all and yet other large applications that we submitted (e.g. Community Mental Health/FMHSS) where we did not have anywhere near the amount of expertise, were part funded seems illogical.
17. Totally exhausting experience! Confusion, uncertainty and no apparent thought considered re impact on clients. Moreover, post the funding round, organisations were told without adequate notice that the client information management system for Settlement Services called OSCAR was to be decommissioned on 2 March and that we would have to enter client data into DEX. There was a mad scramble to register for DEX, then having to get an AUSkey pass. This process was too big, caused a huge upheaval in the sector not to mention what damage I suspect has been done to DSS staff.
18. The waiting to hear was a big strain on staff, especially as it was put back two months and then to find out in Christmas Eve would have been crushing for those who weren't successful in any tenders. Then to have to wait another 6 weeks until the 'negotiations' began only to find that we were losing services after all.
19. Under the previous contract we were contracted to provide services in Latrobe Valley. This new contract has a more restricted area, which is just one part of the Latrobe Valley (Moe and Morwell). One program we ran under the previous contract was in Traralgon

(now out of area) and we started the playgroups for the year only in the last week. Suddenly we are now in a position where we need to go back to more than a dozen families and tell them we are not funded to run this program, and we are not sure who is funded for the area so can't provide referrals at this point. We also have a strong collaboration with the school that hosts it (who also contributed money to fitting out the space) and if we are unable to operate there we would like to also manage their expectations respectfully. If we are able to have advice about the timeline this would be most helpful. It would also be very helpful for us to know who has been successful in adjacent areas, so we can seek to work with them in the transition. In some locations we have been able to find this information out through networks and in others it is still unknown. The additional 4 months mean we can manage transition effectively with families and make sure that they are supported through the change. The risk of families falling through the cracks and ending up with greater needs is quite high.

20. I do not feel that the process considered the size of the organisation applying for the funding - existing smaller organisations with good records, I believe, were at a considerable disadvantage of the Department's priorities changed.
21. We are a small organisation providing early intervention, parent and family support services and now modestly funded as a C4C model by DSS since 2005. We were stretched to re-apply for recurrent funding May/ June announcement of this Grant funding round without knowledge of exactly who our "competition" was, or our potential partners. We were disadvantaged from these early beginnings, without having access to a grant writing team while bearing the responsibility for Family Support in this extremely vulnerable community. For most local organisations applying for Children and Parenting funding, \$150 k could be absorbed into a budget, or one of many applications for philanthropic support. As unsuccessful grant applicants, this does mean organisation closure for us. Our organisation has been in transition since November 2014. With information about funding outcomes extended until 22 Dec, planning for 2015 was impossible. No partnerships or programs could be negotiated as our Centre closes for January. To re-open for February, just to wind down/close/ acquit funding by 28 Feb. was not feasible. Since confirmation in February to extend funding until end of June, we are constantly engaged in several simultaneous processes - still underfunded to provide a combination of services, preparing to wind down/ acquit funding/ close Centre; or wind up, engage clients until June; and find new partnerships who will pick us up post June. As a result of this extraordinary lack of planning and capacity, we now are running a limited program, without the level of engagement or client support available. Term 2 looks less dynamic than term 1. With luck, and support from our community we will secure funding post June through alternative avenues, ie philanthropic grants or corporate support. But this continues to place us at a significant disadvantage due to transitional processes. Our service was once well evaluated and considered best-practice model (eg a focussed recruitment of volunteers and work placement students to fulfil identified programs and service outcomes, and proactive in its delivery of innovative programs). Access to well targetted funding grants supplemented our practice and built our reputation to engage with high numbers of new and ongoing clients and assist them to access positive relationships and social connections, as well as supported pathways across the community. This year we are much depleted and de-energised. And as a community we still are none the wiser as to whom the lucky service

recipient of this funding is and what programs will be offered in our local area. Ultimately what has eventuated was a disappointing process, which has had a direct negative impact on volunteering, as well as Family Support, and on the vital contribution providing meaningful social services to disadvantaged Australians (the very people the grants were designed to support)."

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- ¹ Children and Parenting Support, Questions and Answers, Q1, Q3, Q9, Q12
- ² DSS Families and Communities Programme, Families and Children Guidelines Overview, November 2014, paragraph 3.6, p.24
- ³ Frequently Asked Questions, DSS, para 2.16
- ⁴ Department of Finance, Commonwealth Grant Rules and Guidelines, July 2014, para 8.8, p.20
- ⁵ Frequently Asked Questions, DSS, paras 2.11, 2.15
- ⁶ DSS Families and Communities Programme, Families and Children Guidelines Overview, November 2014, paragraph 2.5, p.15
- ⁷ Department of Families, Housing, Community Services and Indigenous Affairs, Family Relationship Services Guidelines, Version 1, June 2009, p. 7.
- ⁸ <https://www.dss.gov.au/our-responsibilities/families-and-children/programs-services/family-support-program/family-and-children-s-services/program-guidelines-and-related-information>, accessed on 4 March 2015
- ⁹ DSS, Programme Information, Families and Communities, Families and Children, para 2.3 where applicant eligibility includes “companies (incorporated under the Corporations Act 2001 – may be a not for profit or for profit proprietary company limited by shares or by guarantee) or a public company”
- ¹⁰ Families and Communities Programme, Families and Children Guidelines Overview, November 2014, p. 12
- ¹¹ Department of Finance, Commonwealth Grant Rules and Guidelines, July 2014, para 6.2, p. 15.
- ¹² <https://www.dss.gov.au/grants>, accessed 18 March 2015
- ¹³ Williams v Commonwealth of Australia [2014] HCA 23 (19 June 2014)
- ¹⁴ National Compact, Working Together, Working today for a better tomorrow, Code of Best practice for Engagement with the Not-for-Profit Sector, Prime Minister and Cabinet, 2013.
- ¹⁵ National Compact, Working Together, Working today for a better tomorrow, Code of Best practice for Engagement with the Not-for-Profit Sector, Prime Minister and Cabinet, 2013, pp2-3
- ¹⁶ Department of Finance, Commonwealth Grant Rules and Guidelines, July 2014, para 8.1, p.19.
- ¹⁷ Department of Finance, Commonwealth Grant Rules and Guidelines, July 2014, para 8.2, p.19.
- ¹⁸ Department of Finance, Commonwealth Grant Rules and Guidelines, July 2014, para 8.2, p.19.
- ¹⁹ Department of Finance, Commonwealth Grant Rules and Guidelines, July 2014, para 8.8-8.9, pp.20-21.
- ²⁰ Department of Finance, Commonwealth Grant Rules and Guidelines, July 2014, section 9, Proportionality, pp.22-24.
- ²¹ Programme Information, Families and Communities, Families and Children, para 2.14 consists of 3 sentences, p.18
- ²² Department of Finance, Commonwealth Grant Rules and Guidelines, July 2014, para 8.4, p. 19.
- ²³ Explanatory Memorandum, Public Governance, Performance and Accountability Bill 2013, pp8-9