



SCOA Submission to Parliamentary Inquiry into DSS community services tendering process

The Settlement Council of Australia (SCOA) is pleased to provide this submission to the Parliamentary Inquiry on recent Commonwealth community service tendering processes by the Department of Social Services. SCOA represents over 80 agencies in the settlement sector, which comprise the majority of agencies involved in funded settlement programs including Settlement Grants Program (SGP), Humanitarian Settlement Services (HSS), Status Resolution Support Services (SRSS) and Complex Case Support (CCS). SCOA members are involved in providing settlement support to recently arrived migrants and people of refugee background across Australia. SCOA's consultation with members and our research into the area have informed the preparation of this submission.

SCOA's submission will respond to the inquiry by addressing the following points (largely in line with the questions covered in the terms of reference for the inquiry):

- Timeframe of grant processes, including announcements of results
- Impact of process on client services
- Likely future impact of tendering process on clients
- Communications on grant processes
- Reporting and work plan requirements

Timeframe of grant processes, including announcements of results

Members consulted stated that the pre-announcement time frames were sufficient for the settlement sector in terms of advance notice of the grants rounds. However, members commented that the timeframes for preparation were short given the complexity of partnership and consortium arrangements offered within this funding round. This funding round represented significant changes in the way DSS organises funding, which made it difficult to have adequate time to understand the new methodology, and negotiate with partners and other interested providers within the new funding parameters. For organisations with a greater number of programs it was a particularly intensive process. Larger organisations have the resources to prepare multiple applications, nevertheless they found it difficult to process applications across a broad range of tender areas. Smaller organisations do not have the resources to apply for multiple grants at the same time, nor on this occasion did they have time to make the necessary partnership linkages with larger agencies. Diversifying funding across large, medium and small organisations is crucial to program innovation and community participation. Assisting the access of smaller agencies to DSS funding ensures the spread of funds and skills and often provides direct and strong access to the communities in receipt of such funding.

Clarity on the process was difficult to obtain, with variable levels of support for the funding process across the country (this issue will be covered more under communication below).

The timeframe for grant announcement has been quite problematic, with significant delays in receiving detailed results on an agency/individual program level. Gaining a good understanding of where programs have received ongoing funding or were unsuccessful has been difficult. This has

impacted agencies internally in terms of planning and staffing issues leading to loss of staff with specialist knowledge and expertise, and the need to re-train new staff. It has also impacted the sector in terms of building and maintaining strong relationships with related services. The impact was particularly acute for agencies with programs which were funded through to December 2014. Although extensions were granted and then granted again the uncertainty, confusion and complexity this caused was an unnecessary burden on agencies, staff and programs.

Impact of process on client services

In consultations SCOA members mentioned mixed impacts on clients, and also on staff due to the uncertainty and delays in announcements mentioned above. In general, there has been insufficient time to allow for continuity of services by organisations currently providing the funded services and the new successful providers. Some agencies were able to manage this to ensure clients were not impacted while others lost staff due to lack of job security which impacted clients. Some agency's contracts ended at the time of the grant application process and there was minimal impact. Changing service profiles and moving over to new service providers created difficulties in some areas.

Likely future impact of tendering process on clients

It is recommended for future funding rounds that the timing of grants for different funding streams be staggered to allow agencies to focus and plan appropriate strategies for each funding stream. This would also improve the capacity of all agencies, not just the larger agencies, to participate in the process successfully. Smaller agencies can struggle when the timing for applications for multiple funding grants coincide.

Communications on grant processes

SCOA acknowledges that great efforts were taken to keep agencies informed during and following the grant application process. The communication during the application process was confusing, with multiple information sources on grant activities and at times conflicting information from the DSS helpline and information session. The information sessions were only marginally helpful given the highly scripted nature of the information presented, and were in some areas scheduled with very little notice. The more specific tender information that was promised was often still of a general nature and lacked sufficient detail in critical areas. This resulted in supplementary information being added to plug information gaps. Supplementary information was added in FAQs sheets and in other documents to the website making the process of getting across critical tender specifications very difficult. Realistically, services providers needed to read through multiple documents, at multiple time points, to access critical tender specifications.

As mentioned above, the significant delays in communicating grant announcements and the staggered nature of information around grant success also had an impact on agencies.

Consultation participants mentioned that in some states their DSS colleagues were very helpful in keeping agencies informed after the application period closed, however this was not consistent feedback.

Most disappointing for the sector is the encouragement for sector services to apply for broader DSS funding that complimented settlement grants. Many of our members put considerable effort to broaden their funding base, but most were not successful. More information on broader DSS funding outcomes to our sector would be appreciated.

Reporting and work plan requirements

Members also commented on the new reporting requirements within the grants. Given that they have yet to be fully implemented the full impact is not yet known. Initial feedback was positive on the changes, however there have been delays in getting agencies registered on the system and the appropriate staff trained on the new system. There was also a question raised by members on how 'voluntary' the additional voluntary reporting requirements really are, with members mentioning a strong expectation from DSS that agencies would participate.

Feedback on the new approach to workplans has been very positive. The 'red tape' reduction approach to workplans which focusses more concretely on outcomes has been welcomed by the sector. Matching the new workplans to the new reporting system will require guidance and support from DSS as it is rolled out. Members have reported that it may take more than one reporting cycle to meet the required standards.