



Feedback on the Issues Paper:

**A Stronger, more diverse, and independent
community sector**

November 2023



About Carers Tasmania

Carers Tasmania is the Peak Body representing the more than 80,000 informal carers (hereafter carers) in the state.

Carers Tasmania's vision is for an Australia that values and supports carers.

Our mission is to work to improve the health, wellbeing, resilience and financial security of carers and to ensure that caring is a shared responsibility of family, community, and government.

Our values drive everything we think, say, and do.

- **Carers first** – we listen to what carers need, commit to their desired action plan, and deliver results that matter most to carers
- **Care in all we do** – we care for our work, about each other, about Tasmania's family and friend carers, and the bigger world we all share
- **Integrity always** – we are transparent, act ethically, own when things don't go to plan and do what we say we will
- **Quality every time** – we don't accept 'good enough' because carers deserve our very best every time
- **Speed that matters** – we are agile and don't put off what can be done today.

These values represent how we engage with and serve carers, how we work with each other, and our commitment to the broader community. Carers Tasmania encourages partnership with governments and health and community sectors to enhance service provision and improve conditions for family or friend carers through policy development, research and advocacy.

We acknowledge and support people of all genders, sexualities, cultural beliefs, and abilities and understand that carers in Tasmania, whilst sharing the common theme of caring for a family member or friend, are diverse individuals with varying beliefs, experiences, and identities. We value and respect the diversity of carers, their lived and living experiences, and recognise that carers are the experts in their own lives.

Carers Tasmania has offices in Moonah, Launceston and Burnie.

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1. Background

Carers Tasmania is the Peak Body representing the more than 80,000 informal carers within the state.

A carer is a person who provides unpaid care and support to a family member, or friend, with disability, mental ill health, a chronic or life-limiting condition, alcohol or other drug dependence, or who is frail or aged. Informal kinship carers who care for a child under the age of 18, because the parent is unable to, are also recognised as carers. Carers are predominantly family members, but may also be friends, neighbours, or colleagues. Informal carers are not to be confused with paid support workers who are often called 'carers', with the difference being that support workers are fully employed and remunerated with all the benefits of employment. On the contrary, informal carers perform their caring duties without remuneration, other than minimal carer payments and allowances from the Australian Government.

In addition to representing carers through the Peak Body activities, Carers Tasmania provides support to carers living in Tasmania through its service delivery arm, Care2Serve. The Carer Gateway program is delivered through Care2Serve in Tasmania, as are other supports and services, such as psychoeducational activities which are funded by the Tasmanian Government's Home and Community Care program.

The Carer Gateway program provides a range of services and supports for carers which are designed to build resilience, increase wellbeing, improve quality of life, and sustain carers to effectively continue their caring roles. The available supports include the provision of information, advice and referrals, holistic identification of carer strengths and needs through a carer support planning process, professional counselling, peer support, and coaching which aims to support carers in achieving specific goals.

Care2Serve, through the Carer Gateway, has capacity to fund certain short-term instances of planned, practical support services such as in-home respite, personal care, domestic assistance, and meal preparation. Care2Serve may also fund items such as laptops to assist carers who are studying or trying to enter the workforce. Care2Serve also coordinates the provision of emergency support during instances where a carer may be unable to provide the care that they usually do, resulting from unexpected illness or injury of the carer.

2. Introduction

Carers Tasmania welcomes the opportunity to provide feedback on the paper: *'A stronger, more diverse and independent community sector'*.

The main purpose of Carers Tasmania is to support carers. Whilst we gratefully acknowledge the funding we receive from both the Australian and Tasmanian governments to support carers, reform is required to ensure that funding for organisations such as ours is adequate and sustainable into the future. The Australian Government has committed to developing a new National Carers Strategy, and we request that consideration is given when implementing this Strategy to ensure funding arrangements are adequate and sustainable.

Adequate and sustainable funding for the broader community services sector will also support carers and their families when liaising with health, disability, aged care, housing, education, and/or community services. Adequate and sustainable funding is integral to ensuring the community services sector has the capacity and capability to provide effective and essential support to Australia's most vulnerable people. For many years, the community services sector has called on the Australian and State governments to address significant funding challenges being faced by the sector. This sector plays an integral role in the Australian economy, but without adequate funding arrangements, organisations are being forced to cut expenditures and are experiencing difficulties recruiting and retaining staff, resulting in reduced services. This has enormous impacts on the wellbeing, safety, and security of vulnerable Australians.

Employees working within the sector need reassurance that they can continue providing safe and effective services for those who require support. Unfortunately, funding is not keeping pace with the cost of living, leaving many organisations and employees frustrated, burnt out, and concerned about the sustainability of their roles and places of work. We commend the Australian Government on its commitment to better understand these concerns and identify effective ways to move forward.

When considering the sustainability of community services organisations (CSOs), it must be recognised that carers play a significant, unpaid, and undervalued role alongside the sector in providing support to vulnerable Australians. There are more than 2.65 million carers across Australia, with approximately 80,000 of these in Tasmania. In 2020, Deloitte Access Economics estimated that it would cost the Australian Government \$77.9 billion to replace all informal care in Australia.¹ In Tasmania, replacing informal carers with healthcare workers and other paid support workers would cost \$2.2 billion each year.² The 2022 *Caring Costs Us Report*, found that for every year that a person is a primary carer, they will lose on average \$17,700 in superannuation and \$39,600 in lifetime earnings.³ The economic security and wellbeing of carers must be supported given the significance of their role in supporting the community services sector.

Our response is informed by our experience working within the community services sector utilising government funding. We also draw on feedback provided in the Australian

¹ Deloitte Access Economics. (2020). *The value of informal care in 2020*. https://www.carersaustralia.com.au/wp-content/uploads/2020/07/FINAL-Value-of-Informal-Care-22-May-2020_No-CIC.pdf

² Carers Tasmania. (2022). *Carer Recognition Bill 2022*. <https://www.carerstas.org/carers-recognition-bill-2022/>

³ Carers Australia. (2022). *Caring Costs Us: The economic impact on lifetime income and retirement savings of informal carers – a report for Carers Australia*. https://www.carersaustralia.com.au/wp-content/uploads/2022/04/Caring-Costs-Us_Summary-of-Findings_FINAL_070422.pdf?utm_source=Carers+Australia&utm_campaign#:-:text=Overall%2C%20the%20Caring%20Costs%20Us,have%20security%20at%20retirement%20age.

Community Sector Survey (ACSS), commissioned by ACOSS in collaboration with the State and Territory Councils of Social Service.⁴

“The ACSS is integral as a sector-led, sector-owned national data initiative. It has helped understand the challenges faced by sector organisations and workers, and ways to build and support capacity, sustainability, and impact. The survey has shown consistently, over a number of years, that the community sector has been operating on a shoestring. Clearly, that shoestring is now frayed and broken, held together by knots made by the enduring goodwill and commitment of sector staff. But the sector can only run on goodwill for so long. Workers, leaders and organisations are at breaking point.”⁵

3. Broad feedback on the discussion questions

How can CSOs and government streamline the sharing of information, particularly through utilising technology to effectively engage, distribute, share, influence, and inform in a timely and efficient manner?

We suggest further investigation into the effectiveness of ongoing information-sharing mechanisms during program delivery (e.g. through meetings and online portals) to enable more timely provision of information about program delivery. This will promote regular monitoring and evaluation of results and achievements and the ability to renegotiate KPIs depending on the presenting demand, successes, and needs of clients.

CSOs, who have direct experience with clients and their presenting challenges, should be engaged in the codesign of improvements during service delivery to address issues or context changes and improve outcomes. This would support more effective use of funding, and more appropriate service delivery to meet clients' needs.

In addition, clients should be involved in codesign with CSOs at the local level to ensure services are client-centred, appropriate and effective. Regular and location-specific communication about program achievements and outputs by Government and CSOs would promote uptake of services by demonstrating value and benefits to end-users.

What would adequate and flexible funding look like?

Providing grants that can adapt to and reflect the real cost of delivering quality services is challenging, particularly in a sector that aims to be responsive to the ever-changing needs of our communities. Adequate flexible funding would provide CSOs the ability to direct funding towards services where demand is greatest and away from services with lower demand, while adjusting KPIs to reflect these shifts. This would ensure that client needs are at the forefront and will assist in delivering what is most needed when it is most needed.

The costs of brokering services are often variable and higher than anticipated, particularly in regional and remote areas. Having the ability to adjust budgeting and KPIs around these factors would assist in ensuring that KPIs are realistic and achievable.

Government should also embed systems into contracts to enable increased flexibility to fund “out of scope” activities where gaps in service provision are identified. Current mechanisms to request funding for “out of scope” activities are slow and cumbersome, with the request often not considered in time to meet client needs.

⁴ Australian Council of Social Services. (n.d). *Australian Community Sector Survey*. <https://www.acoss.org.au/australian-community-sector-survey/>

⁵ Australian Council of Social Services. (2023). *At the precipice: Australia's community sector through the cost-of-living crisis*. https://www.acoss.org.au/wp-content/uploads/2023/04/At-the-Precipice_ACSS-2023.pdf

What administrative and overhead costs are not being considered in current grant funding?

There must be more consideration taken on how to support organisations to offer competitive salaries and employment conditions to recruit and retain employees within tight labour markets. This includes ongoing employment and redundancy provisions, paid parental leave, and indexation in accordance with industry standards and CPI.

Changes to industrial relations law means that community sector organisations are no longer able to employ staff on contract for a funding period and renew contracts when funding is extended. This means, despite short-term funding, staff will need to be employed on an ongoing basis, with redundancy provisions enacted as and when funding ceases. The Government must consider this in future funding arrangements.

Funding provided is often heavily weighted towards direct service costs and doesn't adequately provide for indirect costs such as leasing suitable office spaces, vehicles, and all required corporate systems and employees (e.g., human resources, finance, IT, data management, training, and communications).

Mandatory training and professional development, upkeep of certifications and licensing, communication, and promotion of services are supported to an extent, but these costs can be significant, especially for local organisations in remote or regional areas.

While better outcomes are generally achieved by local organisations delivering to clients, local organisations often have higher indirect costs. Larger companies can absorb corporate overheads more readily through economies of scale, but often outcomes for clients are poorer.

How are rising operational costs impacting the delivery of community services?

Increasing operational costs are impacting the delivery of community services. This includes impacts on the ability to source good quality equipment and infrastructure, the ability to hire and retain suitable employees and provide updated and relevant support and training for employees.

Placed-based initiatives achieve better outcomes for clients, particularly with people experiencing barriers that restrict their ability to travel to a service. However, costs for organisations to deliver services in certain places must be considered, including increased costs of accessing equipment, and for staff who may need to travel to isolated communities.

The increased costs must be factored into funding agreements, highlighting the need for flexibility to adapt as needed.

What have been your experiences with, and reflections on, the supplementation and change to indexation?

Our experience is that the notification of these decisions often occurs without warning or explanation and with little or no opportunity for input. This means the supplementation and change to indexation is not budgeted for and must therefore be allocated during the financial year, which may lead to suboptimal outcomes.

In Tasmania, TasCOSS is currently leading a major advocacy campaign on this issue, which has led to a review by the Tasmanian Government investigating five-year funding contracts

and addressing inflation concerns for community services organisations.⁶ A national review of funding contracts and inflation costs is needed to establish the current sector need and an appropriate path forward.

How can CSOs and the department work together to determine where funds are needed most to ensure equitable and responsive distribution of funds?

We suggest that regular, smaller reviews during program delivery, codesign of improvements, and the renegotiation of KPIs and funding allocations based on demand and experiences could lead to more equitable and responsive distribution of funds.

A streamlined process for considering and approving out-of-scope requests, developed through codesign with CSOs, could also be of assistance. The communication of supplementation and changes to indexation earlier in financial years would also enable more appropriate planning and allocation of funding.

How can government streamline reporting requirements, including across multiple grants, to reduce administrative burden on CSOs?

The current processes used for reporting can be burdensome and time-consuming. Reporting on overall KPI achievement, outcomes for target clients at the high level, and by-exception reporting would reduce administrative burden. This should be coupled with annual evaluations and KPI renegotiation.

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

Based on our experience, our view is that five-yearly grant agreements that include the option to extend by an additional five years are preferable. This would provide stability to employ and retain quality staff, establish systems, and test innovative ideas. It also provides a better opportunity to build trust within communities, so that people can share the experience of the service with others who will also seek out help. The need for longer contracts must be supported alongside addressing indexation challenges.

Our feedback is consistent with that presented in the most recent ACSS report.

*"In their comments, leaders generally welcomed five-year contracts, but highlighted some challenges. In particular, leaders pointed out that without adequate indexation, long agreements could lock in deteriorating funding levels."*⁷

What timeframes should the government aim for, at a minimum, to provide final outcomes on grant variations/extensions before the current grant ceases?

We suggest that at minimum, a notice period of one year is required to assist organisations to effectively plan for the future. This will allow them to better manage their funding and provide their employees with information about their employment security. In our experience,

⁶ TasCOSS. (2023). *Fair Funding for an essential industry*. https://tascoss.org.au/media-advocacy/sustainable-investment-in-an-essential-industry/?utm_source=TasCOSS+Newsletter+Subscribers&utm_campaign=c42b11ff8d-EMAIL_CAMPAIGN_5_17_2018_COPY_01&utm_medium=email&utm_term=0_2d17bff27f-c42b11ff8d-123808549&mc_cid=c42b11ff8d&mc_eid=f504ad951b

⁷ Australian Council of Social Services. (2023). *At the precipice: Australia's community sector through the cost-of-living crisis*. https://www.acoss.org.au/wp-content/uploads/2023/04/At-the-Precipice_ACSS-2023.pdf

providing less than one year's notice about funding extensions or continuations means that an organisation will not be able to plan appropriately, and employees will become uncertain and begin looking for employment that can offer them security and stability.

4. Conclusion

To conclude, we are pleased that the Australian Government is investigating the issue of fair and sustainable funding for the community sector. We suggest continued collaboration and codesign with community service organisations and clients and highlight the need for consideration of how the economic security and wellbeing of carers can be better supported, as they are also integral to a strong, diverse, and sustainable community sector.