



29 January 2024

The Secretary

c/-Financial Wellbeing Branch

Department of Social Services

Review of Financial Wellbeing and Capability (FWC) Activity Consultation

Submitted online

Dear Secretary,

The St Vincent de Paul Society NSW (the Society in NSW) appreciates the opportunity to participate in this consultation and provide comments about the current suite of programs funded under the Financial Wellbeing and Capability (FWC) Activity. We provide the below comments, recommendations, and input on behalf of St Vincent de Paul Society NSW. We also note our overarching support for the National St Vincent de Paul Society Submission, noting our more specific comments concerning place-based approaches in Focus area 5 below.

About the Society

The Society is a lay Catholic charitable organisation in NSW offering a hand up to people in need. We do this by respecting their dignity, sharing our hope, and encouraging them to take control of their own destiny. We are committed to those people who live on the margins of our community and are guided by Catholic social principles of dignity of the human person and solidarity. We work to shape a more just and compassionate society and have been a pillar of support for NSW people for over 140 years.

The Society in NSW comprises over 4000 members who provide on the ground financial and material assistance to people in their communities as well as referrals, companionship and social support. In 2022-2023, we provided \$13.7 million of assistance across NSW to approximately 87,000 people - an increase of 60% on the previous financial year. Almost 90% of the people we assist receive government income assistance and unfortunately, over the past year, one in three people seeking our help were doing so for the very first time. Among those we assisted were 10,500 people living with disability and 10,600 people identifying as Aboriginal or Torres Strait Islander.

The Society also has considerable experience as an emergency relief provider in the wake of environmental disasters. In the last financial year (2022-2023), we provided \$5.5 million in direct financial assistance to people worst affected by flooding and \$9.4 million was committed and spent for bushfire support in the areas of emergency relief, community grants and community development. Our network of Vinnies Vans provided more than 70,000 instances of food and material items assistance across the State over this period.

Daily, the Society bears witness to the fact that people with low income or experiencing disadvantage are disproportionately impacted by the rising cost of living¹. Food is the largest area of assistance we provide. Utility bills are also often the most significant household expense for people on low incomes and are often a 'hidden' cost with people left with little to no money for food and other essentials.

Introduction and Recommendations

Our recommendations are based on our internal data, reports, internal consultation, our Annual Report 2022-23 and our long term, direct front-line experience delivering under the Emergency Relief (ER) and the Financial Resilience (No Interest Loans Scheme) FWC program activities.

Recommendations:

1. Consideration should be given to **structuring the Emergency Relief (ER) program activities such that the program has capability to respond consistently to multiple crises**, often happening at once and with greater frequency. *(Focus area 1 – current operating environments and systemic issues)*
2. An **effective early intervention approach must be based on data identifying local community trends** and tailored to ensure a long-term impact of transforming lives, strengthening communities, nurturing wellbeing, and fostering hope. *(Focus 2 – identifying client needs)*
3. **Best practice service delivery must include support to providers that can deliver wrap-around services** to provide wholistic and complementary service supports, rather than being just limited to basic service provision of food vouchers, material and bills assistance. The Department should support providers that want to explore the benefits and challenges of providing wraparound support for people in need of emergency relief and food relief as part of their service delivery model, including:
 - a. the development of methods for monitoring referrals and evaluating referral outcomes;
 - b. additional funding to support the staff resources required for this approach; and
 - c. consideration of matching these activities with a per capita supplementary funding amount.*(Focus 3 – best practice)*
4. **Provision should be made for additional funding for CSO training resources** such as personnel, staff development and workshops to support the increased and significant complex needs of the people we assist. This provision should be based on the number of people assisted by each delivery partner. *(Focus 3 – best practice)*
5. Funding in response to **environmental disasters must be structured to acknowledge the phases of immediate need, repair and restoration and recovery** with clear expectations and flexible criteria.

¹ [NCOSS Barely hanging on: the cost of living crisis in NSW 2023.](#)

Where successive disasters have affected particular areas, **consistent and transparent funding provision is needed** so that community expectations are able to be managed. (*Focus 6 – future funding arrangements*)

6. Recognising the number of people in crisis seeking assistance on a business-as-usual basis under the FWC Activity program, and the number of episodes a presenting person requires to have their needs addressed, the Department of Social Services **increase the baseline funding of emergency relief under the FWC Activity programs by a minimum of 30 per cent for the 2024-25 period and beyond.** (*Focus 6 – future funding arrangements*)

This submission also relies on the more general recommendations made in our [“A stronger, more diverse independent community sector”](#) submission to the Department (Nov 2023) (*the DSS Community Sector Submission*). For convenience we set them out below and refer to them as relevant in this document:

1. DSS **shares more regular, open information with CSOs**, particularly about funding, sector development opportunities and service quality, including through the DEX portal and online sector information sessions.
2. DSS recognise the expertise of the community sector by **enabling CSOs to lead program design** through commissioning for outcomes and funding CSOs to undertake research, planning and evaluation to inform program design with local communities.
3. **DSS provide adequate funding to CSOs** that includes provision for inflation and wage growth, covers indirect costs as well as direct costs of service provision, and funds disaster capabilities as part of business as usual.
4. **DSS reviews its current program funding**, particularly the Financial Crisis and Material Aid - Emergency Relief program, **based on evidence about local population needs** and the quantum and spread of current service provision, to better align CSO grants to adequately respond to local communities.
5. Separate to the Financial Crisis and Material Aid - Emergency Relief program, **DSS should provide flexible funding to CSOs delivering programs** aimed at intermediate to long-term change by commissioning for outcomes based on a human services framework, rather than funding prescribed service activities.
6. DSS funding agreements **include provision for CSOs to roll-over unspent program funds** at the end of each financial year.
7. DSS grant funding **include adequate provision for CSO administrative and overhead costs**, including management costs, planning, research, grant preparation and acquittal, capital infrastructure component and insurance cover.
8. DSS **implement ACOSS recommendation for equitable, systemic and transparent indexation** to all CSO grants and contracts that reflects the actual increase in costs incurred by funded organisations.
9. The Commonwealth work with state and territory governments to **align CSO performance and reporting frameworks across all human service agencies.**
10. DSS **implement longer grant periods, of at least five years**, with provision for periodic funding reviews built-in to ensure CSO funding remains fair and reasonable over the course of the grant.
11. DSS program funding provides CSOs with the **flexibility to respond to emerging or changing population cohorts** within the context of the program’s objectives.
12. DSS program funding includes **provision for research and evaluation** to enable effective service delivery and innovation.

Response to Consultation Paper

Focus Area 1 – Current operating environments and systemic issues

What future role do you see for FWC programs in disasters, and other crisis events?

Recommendation:

1. Consideration should be given to **structuring the Emergency Relief (ER) program activities such that the program has capability to respond consistently to multiple crises, often happening at once and with greater frequency.**

The FWC ER program is unique in that it provides support for people experiencing financial crises in multiple ways in:

- an ongoing manner, individuals and families experiencing financial crises and hardship are supported; and,
- response to acute environmental (floods, bushfire, drought) or other societal crisis (such as Covid-19) are also supported.

This makes the ER program a fundamentally important social safety net for people experiencing financial crisis across Australia.

In recent years, our complex operating environment has also meant that the flexibility of the program itself and the organisations delivering it have been put to the test. Together with the DSS, we have delivered support under this program to people experiencing the aftermath of devastating bushfires, floods, drought, pandemic impacts and now the impacts of a cost-of-living crisis. These compounding crises have stretched delivery organisations like the Society in NSW (and often the people we assist) to the limit.

The Society self-funds most of its emergency financial assistance (ie the ER program) and environmental disaster response work. We work in every SA4 across NSW, with local groups of Society Members coordinating together as volunteers to lead and drive this work in their own communities. These volunteer groups are supported by our state-wide systems and a team of dedicated staff located in Sydney and in regional centres right across NSW.

When environmental disasters occur, out of necessity, funding is often diverted away from core 'business as usual' operations. This is not sustainable long-term or on an ongoing basis, particularly as the occurrence of natural disasters is predicted to increase into the future. This diversion of funds and resources from core business was exacerbated and prolonged during the period when the Society was providing its bushfire recovery response and then needed to pivot to a disaster flood response in 2022. For example, in FY 2022-23 we provided \$9.4m in financial and material aid in the immediate aftermath of the bushfires. With our flood support, we provided \$5.5m in immediate assistance and distributed \$1.6m in voucher assistance.

Today, these impacts are being compounded further as we also respond to the escalating cost-of-living crisis.

Key results are highlighted in our [Annual Report \(p.26\)](#) including 1632 vulnerable individuals more informed and better prepared for future disasters, 686 community leaders skills built in hazard reduction and disaster management and some 2556 individuals receiving case management from Vinnies or third parties.

Funding gaps due to disaster relief assistance provided by the Society and which have impacted on the ability to provide, expand and amplify our operations and services are set out in the table below.

FY Year	DSS Funding received	Total Assistance provided*	Gap	Comments
2020-2021	\$7.45m	\$15.5m	\$8.05m	<i>DSS allocation included rollover of \$4.9m Bushfire funding.</i>
2021-2022	\$4.2m	\$12.29m	\$8.7m	<i>Allocation includes of \$1.2m of Flood funding</i>
2022-2023	\$2.9m	\$13.6m	\$10.7m	<i>\$500K additional allocation for disaster response</i>

**total amount of assistance provided is inclusive of St Vincent De Paul Society NSW Disaster Response assistance*

In addition to the funding gap identified in the Table, the Society has also provided \$7.7m of its own funds for Bushfire support and \$6.6m to cover the flood relief since 2022. 100% of all fund raising dollars have been expended on bushfire and flood relief.

Moreover, in the current financial year, our total expected funding under the Program is just under \$2.5 million. The need we are currently seeing in the community has risen to an extent that the Society NSW cannot in full make up the expected shortfall. As we have reported to the Department, by August end 2023 – just two months into the current financial year – we had so many of the people we assist turn to us for financial crisis assistance across NSW that more than \$2.5 million (more than the equivalent of our full annual Grant) was expended.

From July to end November 2023, we had supported 25,670 individuals and a further 29,000 family or household members. This was an increase of 16% on the same period last year. We had expended \$5.8 million to end November, again an increase on the same period last year by over \$1 million. For organisations like the Society whose core business is not disaster management, it takes time for the organisation to establish and scale up disaster response and recovery systems. While the Society in NSW does now have strong systems for response, this is not our day-to-day work. Processes and procedures for responding to disasters are not necessarily built into standard operational systems. A disaster response is a disruption to normal ways of operating. However, with specific, ongoing funding, these processes and systems could be further embedded and maintained. This funding is also needed to develop and maintain skilled staff and volunteers, and to participate in necessary and local planning and coordination networks – all which take up organisational time, effort and resources.

The ER program that provides a backbone for community support is being pulled in many directions – often at once. We urge the Department to respond to this operating environment by structuring the program such that this is recognised. This could include transparent indicator points where further tranches of funding and

support are made available for delivery partners, as well as specialised support for responding to environmental disasters while also maintaining peaks in demand for ongoing financial crisis supports.

We refer to our recommendation above and to recommendations 1 and 2 from the National St Vincent de Paul Society submission recommendations to address these competing demands in the current operating environment.

Further discussion is also detailed in our recent, [DSS Community Sector Submission](#) in particular Recommendations 3-8 which support the need for CSOs to embed disaster capabilities as part of their business-as-usual operations:

- **DSS provide adequate funding to CSOs** that includes provision for inflation and wage growth, covers indirect costs as well as direct costs of service provision (Rec 3)
- **DSS reviews its current program funding**, particularly the Financial Crisis and Material Aid - Emergency Relief program, **based on evidence about local population needs** (Rec 4)
- **DSS provide adequate funding to CSOs** that includes provision for inflation and wage growth, covers indirect costs (Rec 5)
- **DSS should provide flexible funding to CSOs delivering programs** aimed at intermediate to long-term change by commissioning for outcomes based on a human services framework (Rec 6)
- DSS grant funding **include adequate provision for CSO administrative and overhead costs** (Rec 7)
- **DSS implement ACOSS recommendation for equitable, systemic and transparent indexation** to all CSO grants (Rec 8)

Focus Area 2 – Changing client needs.

In what ways can FWC programs and services better respond to current and future client demand, and people with complex needs?

Recommendation:

2. ***An effective early intervention approach must be based on data identifying local community trends and tailored to ensure a long term impact of transforming lives, strengthening communities, nurturing wellbeing, and fostering hope.***

The Commonwealth Government must look at how much the community sector is underfunded to meet people's immediate needs. If the government wants to achieve equitable wellbeing outcomes for communities, it should provide funding based on evidence about the location and quantum of community need. The Society can partner with DSS, including by sharing our emergency relief data from right across the state, to inform a more equitable, planned approach to these essential community programs. At present the Society in NSW provides data through the DEX system on our funded SA4s, limited to the funding that we receive. In the current financial year, this means data related to an additional \$10million+ in funding and tens of thousands of additional instances of support could be utilised in an appropriate de-identified manner to help inform government decision-making.

Once needs are identified, our experience is that the people we assist are better supported when they are connected to wrap-around services. This usually would include specialist counsellors who can address other complex client needs such as mental health issues, domestic and family violence, drug and alcohol supports and supports for people with a disability.

The Society in NSW strives to provide this type of wrap-around support across the state, connecting people with the further specialist support and services they need to move out of the cycle of poverty. In regional areas resourcing for this can be extremely challenging. In metro areas, the Society's current model aims for these wrap-around services at our 22 metro Vinnies Support Centres. Clients are provided with support and information as well as assistance with food parcels, material aid and assistance with bills, linked in with our Conference Home visitation teams and referred to relevant services and case management.

Similarly, given rising demand the Society in NSW has expanded our fleet of outreach Vans Services across the State. We now have 12 Vans (expanded from 7), operating across Sydney and Greater Western Sydney, the Central Coast, Wollongong and the Shoalhaven, Orange, Lismore and Coffs Harbour. We are investing staff and resources to upskill our volunteers on these services and develop systems to better capture client need. Developing the Vinnies Vans fleet into a full mobile wrap-around support service that can target demand and support people in the spaces that they feel most comfortable is a high priority project at Vinnies NSW. Our flagship model for this uplift is a service stop at Belmore Park in Sydney, where we provide weekly reliable access to a doctor, dentist, case-workers and referrals as needed to other core services. We note that in particular, there is a need for specialist services for women and children experiencing and at-risk of homelessness due to domestic and family violence that are location and quantum specific. In Sydney, that demand emerges as a need for furniture and clothing while in Wagga Wagga it is for food assistance.

For more details, we refer you to our recent [DSS Community Sector Submission](#) and in particular, pp5 and 6 noting Recommendation 4 that **DSS needs to review its current program funding to better align CSO grants to adequately respond to local communities.**

What do you consider is an effective FWC early intervention approach for a person at risk of financial stress and hardship?

We refer to our answers above, particularly on the importance of wrap-around services, and offer the below additional comments.

In most cases the people we assist experiencing financial stress and hardship only seek out assistance from the Society when they have exhausted all other options. All of our members, volunteers and staff contribute to the common purpose of serving the most disadvantaged in our community, providing a 'hand up' and helping them to rebuild their lives. Our early intervention services critically focus on preventing people from becoming homeless.

We provide Community Partnerships, so that people can access resources and expertise through strengthened ties to local organisations, government agencies, and community groups. We also provide Preventive Programs, to help reduce the number of people needing to access support in times of acute crisis and ensure the functioning of mainstream systems such as health, education and corrective

services. This includes our Soft Entry Hubs, which provide a welcoming and nonjudgmental environment where individuals in need of housing support can access information, referrals, and initial assessments.

We also use data analysis to provide information on local community trends so that services can be tailored to and cater for the needs of the people we assist in that area.

An effective early intervention approach must be based on data identifying local community trends and must also be tailored to ensure a long-term goal of transforming lives, strengthening communities, nurturing wellbeing, long term impact and fostering hope.

Focus area 3 – Best practice service delivery

Recommendations:

3. **Best practice service delivery must include support to providers that can deliver wrap-around services to provide wholistic and complementary service supports, rather than being just limited to basic service provision of food vouchers, material and bills assistance. The Department should support providers that want to explore the benefits and challenges of providing wraparound support for people in need of emergency relief and food relief as part of their service delivery model, including:**
 - a. *the development of methods for monitoring referrals and evaluating referral outcomes;*
 - b. *additional funding to support the staff resources required for this approach; and*
 - c. *consideration of matching these activities with a per capita supplementary funding amount.*

4. **Provision should be made for additional funding for CSO training resources such as personnel, staff development and workshops to support the increased and significant complex needs of the people we assist. This provision should be based on the number of people assisted by each delivery partner.**

Have you experienced a high-quality financial wellbeing and capability service and what did this look like?

Across NSW, we have a presence of over 358 conferences (local Society member groups) plus 26 Centres in metropolitan, regional and rural areas providing Financial Crisis and Material Aid - Emergency Relief. Our Society volunteers, who are members of their local communities, support our conferences and employee run Centres. This model allows for a first-hand understanding of the challenges each community faces, providing valuable insights and knowledge into the needs and specific supports required. In other words, our activities under the ER program are implemented and influenced by members of each local community, embedding the Society into local knowledge and understanding.

Some strong examples of this local-led and influenced approach include:

- **First Nations Conferences.** The Society in NSW now includes two new First Nations Conferences (groups of volunteers providing supports) delivering activities under the ER program. These are based in Walget and in Moree. These groups decide what the best supports will be for their communities as well as the best delivery methods. For example, post the unsuccessful Referendum on the Voice to Parliament in 2023, the Guniinii (“Queen Bee”) Conference in Moree chose to host a community healing day at the local pool in the town of Moree. This popular day was, for some in the local First Nations community, the

first time individuals had accessed this space given the history of segregation in places like local pools in the past. This event allowed the new Guniinii Conference to introduce itself and the supports it can offer to the broader First Nations community in the area. It was noted as an excellent and empowering day for the community and the new Conference. The Walgett First Nations Conference intends to host a similar community day in early 2024.

- **Northern Rivers Floods Response.** In early 2022 the Society in NSW was able to establish an extensive recovery-phase response to the Northern Rivers Floods within one week of the event. We were able to set-up recovery centres across the region with local, on-site volunteers interviewing and delivering assistance in the form of direct grants to affected households. Over three weeks, we were the only organisation delivering this kind of significant and essential support. Our local network of trained volunteers, supported by our central systems, made this possible. The Society in NSW was able to be first organisation to respond in this way. For the local community, this meant significant direct support some weeks earlier than would otherwise have been possible.

How can the sector and the department better support organisations to provide wrap around services, and effective referral pathways for clients, particularly those with complex or multiple needs?

We refer the Department to our recommendations 3 and 4 above.

We note that there is a need for adequate and flexible funding, and for further information we direct you to our [DSS Community Sector Submission](#) and recommendations 1-12.

The DSS can proactively support organisations to provide wrap-around services by providing in-kind support such as specialised training, support and workshops about the complex needs of our clients to our members and volunteers, so enabling and empowering them to understand their communities better and support their needs.

The Society currently has limited resourcing to be able to provide specialised training to support clients with complex needs. Currently we have 2 Society-funded roles to support the implementation of training across the staff including First Nations identified roles.

Has your organisation introduced a service improvement or innovation that is making an impact in improving client outcomes? What can be done differently or more efficiently in FWC programs, such as the national arrangements for the National Debt Helpline?

We note our establishment of two First Nations Conferences throughout 2023, explained above.

Further to this, over the past three years the Society in NSW has implemented a transformative new system to guide conversations with the people we assist under the ER program and to ensure safe and secure data capture. The new Conference Assistance Management System (CAMS) supports our member volunteers to have sensitive and best-practice-led conversations with the people we assist, as well as to better capture the necessary data. The system prompts important questions, and allows for sensitive matters to be dealt with appropriately, such as domestic and family violence. The system also captures data in real-time, so the Society in NSW is much better equipped to analyse trends and see where greater supports or investment might be needed. CAMS is a new system, with processes and 'kinks' still being ironed out however already through our state-wide roll-out and training we have seen better outcomes in data capture and in the

confidence of our member volunteers as they support people experiencing financial crisis. This major investment has included onboarding a full-time staff member, as well as over \$1 million of Society funding in development and roll-out.

Our Vinnies Vans are also an example of one of the ways we have sought to improve and innovate a service offering in metro and regional areas. The Vans offer connection to people experiencing hardship along with referrals to additional services. In response to the cost of living crisis that has impacted individuals and families for more than 12 months, our Vans have supported twice as many people this past year in comparison to pre-COVID numbers, with around 2500 people seeking assistance each week from our Van Services alone.

Given the extent of people presenting, and with more complex needs, we have recently expanded our Vans Services from 7 to 12 Vans. In Sydney, we have also partnered with St Vincents Health so that a doctor and a dentist attend at prescribed times and locations to assist with health needs of those using our Van Services. This mobile hub model is a great way to provide holistic wrap-around support to those in need doing it tough on the streets and who would otherwise not be able to attend our Vinnies Support Centres or find barriers to attend government service centres. We are investing in using this as a template as we expand our Vinnies Vans Services over the coming year to meet the demand in areas such as Greater Western Sydney, Campbelltown and Coffs Harbour, along with increasing the number of stoppages on existing services across Sydney.

What approaches could help fill FWC service gaps, including in food relief and in regional and remote areas?

Knowing the organisations and their service provision in an area is key to enabling people to access services.

As noted above, our mobile Vinnies Vans are expanding to provide not only food relief and companionship, but also information and referrals. Our experience is that there can be a lack of understanding in regional and rural areas of what services are available, who provides them and where they are located as not every town centre provides a particular service. Where it does, it may not be accessible for those living remotely. Expanding these hub models to include referrals, case management and health services could further provide a holistic approach to meeting the needs of the people we assist. In particular, where there are service gaps the DSS could look to funding mobile services like the Vinnies Vans to assist in bridging these.

The Society in NSW also provides ER program support to communities in SA4s for which we are not currently funded. Our activities span the entire state. We would be happy to map these against any areas of service gap that the DSS might identify.

We also note that DSS should consider provide additional funding for training resources such as personnel, staff development, workshops to support the increased and significant complex needs of the people we assist.

Focus area 4 – Workforce capacity and capability

How can the sector and department ensure the FWC workforce has sufficient capacity and capability to meet rising demand and the needs of vulnerable clients?

We refer to the National St Vincent de Paul Society Submission on this section and in particular recommendations 5 and 6 on workforce capacity and capability.

We also note the discussion in our recent [DSS Community Sector Submission](#) and recommendations 1-12.

What are some ways the sector and department could better support Aboriginal community-controlled and Indigenous-led organisations, multicultural organisations and disability providers to deliver FWC services?

Increased cultural safety in service delivery is achieved by ensuring First Nations people design and deliver services to meet the needs of First Nations communities. Governments and organisations like the Society must work with local communities to grow the First Nations workforce via long-term investment in training, education and workforce remuneration. It is also essential that all people working in health and human services, including homelessness and homelessness-prevention services, have cultural safety capacity through ongoing professional development.

The Society in NSW has a deep and ongoing commitment to this approach. We are currently renewing our 'innovate' Reconciliation Action Plan, driven by input from our network of First Nations staff and volunteers as well as our leadership, including a dedicated First Nations Engagement Manager.

Our First Nations Conferences in Walgett and Moree are driving new and self-determined approaches to delivering community supports. We are on a path to develop more of these groups, with relationship-building underway in locations such as inner Sydney and Waga Wagga.

For further discussion of our approaches across the Society in NSW in relation to First Nations, culturally and linguistically diverse communities and people living with disabilities, we refer to our recent [DSS Community Sector Submission](#) in particular, Recommendation 2 that DSS recognise the expertise of the community sector by **enabling CSOs to lead program design** through commissioning for outcomes and funding CSOs to undertake research, planning and evaluation to inform program design with local communities.

Focus area 5 – Place-based approaches

What are the advantages or challenges of a place-based approach to funding FWC services into the future?

Do you have experience in working in place-based or shared decision-making models of service delivery? What are your reflections? Please provide examples

The Society in NSW is currently investing in exploring leading place-based approaches in relation to ER program activities.

Importantly, the structure of the Society can lend itself to place-based approaches as a matter of business-as-usual. Already every day, our local Conferences of members – who deliver ER program supports – choose how they will best support their own local communities. In some places, this means taking calls and driving to rural properties to meet with and deliver these supports in people’s homes. In others, it means a community dinner once a week where our members connect with people doing it tough in their local area and make a time to sit-down with and interview those who need greater support. In still others, it means a busy community hub where people line up every day to receive ER program supports from both staff and volunteers. We operate flexibly and with a level of autonomy for local people to decide the best ways to connect with and support their own local communities. This is one of the differences of the member-based model of the Society.

Aside from this, in NSW the Society has taken the decision to run a trial of a place-based hub in Campbelltown, at our Nagle Centre. Thus far, we have run multiple co-design workshops with the community – inviting people, groups and other organisations in to help design and decide the kind of supports and space they would like in this area. The service does and will continue to offer ER program supports to the local community. The workshops have informed the development of a community kitchen and dinners, investment in a new Vinnies Van mobile service for the area and a range of other new spaces for community use.

We are currently considering a proposal for a fuller redevelopment of the site informed by this community-led approach. The Society in NSW would be pleased to share more information about this trial as it continues throughout 2024-25, including data on client experience.

We note that we are also supporting shared decision-making models through our First Nations Conferences explored above. And, in our Metropolitan region, the Redfern Vinnies Support Centre Hub is also currently trialling a dynamic initiative committed to providing comprehensive support services to the community. At the heart of this trial is a range of vital services aimed at addressing diverse needs and fostering community well-being. The vision for the Redfern Vinnies Support Centre Hub Trial goes beyond basic services, to expand its offerings and engage with the community on a deeper level.

In the experience of the Society in NSW thus far, the advantage of a place-based approach to funding FWC services is that it builds community engagement and empowers local communities, harnessing their expertise and enabling them shape outcomes that will meet the needs of that particular community.

The challenges include funding and resources to support this approach, such as staff, new service offerings and activities. In regional and remote areas and in particular, with respect to communities that have specified needs, including culturally and linguistically diverse communities and First Nations communities.

Focus area 6 – Future funding arrangements

Recommendations:

5. Funding in response to **environmental disasters must be structured to acknowledge the phases of immediate need, repair and restoration and recovery** with clear expectations and flexible criteria. Where successive disasters have affected particular areas, **consistent and transparent funding provision is needed** so that community expectations are able to be managed. (Focus 6 – future funding arrangements)
6. Recognising the number of people in crisis seeking assistance on a business-as-usual basis under the FWC Activity program, and the number of episodes a presenting person requires to have their needs addressed, the Department of Social Services **increase the baseline funding of emergency relief under the FWC Activity programs by a minimum of 30 per cent for the 2024-25 period and beyond.** (Focus 6 – future funding arrangements)

What would sustainable and more flexible FWC grants funding look like for you?

We refer to our recommendations above and to our recent [DSS Community Sector Submission](#) that more sustainable and flexible sustainable grants funding would incorporate the following features as identified in recommendations 3, 5, 6, 7 and 8, namely:

- **adequate funding to CSOs** that includes provision for inflation and wage growth, covers indirect costs (Rec 3)
- **flexible funding to CSOs delivering programs** aimed at intermediate to long-term change (Rec 5)
- **contracts and agreements include provision for CSOs to roll-over unspent program funds** (Rec 6)
- **adequate provision for CSO administrative and overhead costs** (Rec 7)
- **provision for equitable, systemic and transparent indexation** to all CSO grants (Rec 8)

We note that the cost-of-living crisis has presented unprecedented economic, environmental and societal conditions to the Society in NSW, and refer also to our points in Focus Area 1 above showing that we had expended the equivalent of our full year's grant for ER activities in less than two months this financial year. Greater funding is needed to meet this urgent and growing demand.

What are your reflections on the supplementary FWC funding for crisis events that has been allocated to the sector since 2020?

Generally, we refer you to the Society's National Council observations and recommendations in its response to the [Alternative Commonwelath Capabilities for Crisis Response Discussion Paper \(Sept 2023\)](#).

Key reflections on supplementary FWC funding for crisis events since 2020 include the need for consistent processes, meeting community expectations and the need for a structured approach to the phases of a disaster response.

During the COVID-19 pandemic, our ER program funding received a separate amount of funding to support those impacted during this crisis. The response from DSS was extremely positive and assistance was able to be provided quite rapidly. Using past experiences and successes such as this would provide the ability to build flexibility in the program and how responses can be managed during an economic and costofliving crisis.

Our supports during the various natural disasters has varied in a large part due to the amount of funding granted. By comparison, in the 2019-2020 Bushfires we received \$7.7m and we were able to assist over 7000 people, while during the 2022 Northern Rivers Floods, we received a much smaller amount of \$1.2m in DSS funding to support the various communities impacted, assisting just over 2000 households. We refer you to the questions below on our recommendations in relation to the structuring of funding, consistency and transparency of grants and the need to meet community expectations.

How can FWC funding arrangements be structured in the future to better respond to local community needs, and time-limited surges in need?

Our observation is that funding arrangements need to be phased to respond to local community needs and be structured transparently in times of disaster. This includes addressing immediate emergency relief needs, following then a repair and restoration phase which focuses on social infrastructure needs and finally a recovery phase to deal with the long tail of disaster relief.

There is also a need for consistency in how natural disasters are funded, particularly where there are successive disasters in a particular area (eg the Northern Rivers bushfires and floods) and that the level of support provided by government must be informed by local communities, to understand local needs and all of the resources (CSO and government) available to meet that need. Our [Annual Report](#) on page 27 provides more detail about our Bushfire and Flood relief and support programs.

As noted above, our recommendation is that **disaster funding must be structured to acknowledge the phases of service delivery** with clear expectations and flexible criteria about how it may be used. Where successive disasters have affected particular areas, **funding provision should be consistent and transparent** so that community expectations are able to be managed about its availability.

Does your organisation capture data on unmet client demand? If so, what information do you capture and how could the department work with your organisation to report this data?

Our systems have the capability to capture unmet client demand however further resourcing is required to ensure that this is tailored to the Society's needs and we are adequately staffed to analyse, report and provide comprehensive data in this area.

This is also complicated by the way in which the Society supports ER program activities far above and beyond the grant funding provided to it by the DSS. One way the DSS might consider analysing unmet demand might be to look at the gap between the amount of support provided by organisations such as the Society in NSW and the grant funding provided under the ER program. As noted at the beginning of this submission, that gap is large and widening. If trends continue in this way, the Society in NSW will not be able to meet demand in the way that we currently do.

The Society in NSW thanks the Federal Government and the DSS for this consultation and for listening and responding to the many voices in our community that are working with financial and wellbeing capability programs to improve the needs of people doing it tough. We look forward to continue engaging with your Department to ensure that the people we assist are given a hand-up to rebuild their lives, particularly during these difficult economic times.

Should you have any questions please contact Jodi Denehy, Senior Policy Adviser, at Jodi.Denehy@vinnies.org.au or our Director of Programs, Joy Kyriacou at Joy.Kyriacou@vinnies.org.au

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Joy Kyriacou', with a small dash at the end.

Joy Kyriacou,
Acting Executive Director,
Membership Volunteers and
Regional Operations