NSW Settlement Partnership (NSP)

Pre-Budget Submission 2022-2023

creating vibrant communities





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About the NSP

The NSW Settlement Partnership (NSP) was established in 2015, as an innovative model for the delivery of settlement services. The NSP is a consortium of 21 organisations that deliver settlement services for refugees and migrants in NSW. The 21 NSP partners include 11 Migrant Resource Centres and multicultural services, and nine community/ethnic organisations. The consortium model provides an opportunity for organisations with a long and proud history in service delivery to work collaboratively to address the aim and objectives of Settlement Engagement and Transition Support (SETS) program.

The NSP is a unique and innovative service model. The NSP consortium model provides for efficiencies with economies of scale. There is streamlined contract management across regions while maintaining community connectedness at the local level and provision of direct services where communities need them most. Considerable operational efficiencies arise from shared 'back of house' support provided by SSI as the lead organisation and the learnings that are shared by the consortium functioning as a community of practice. The consortium has provided for an extensive geographic footprint in NSW – metropolitan, regional and rural — and for delivery of activities planned and delivered locally by partners embedded in the local/ethnic community.

Small- and medium-sized NSP providers have been able to maintain service levels in an era of disruptive change. The inclusion of non-SSI member organisations in the consortium has allowed for a diversity of partners – large, medium and small, multicultural, ethno-specific and generalist community service organisations. The NSP consortium maximises the complementary potential and expertise of all partners. It also affords the opportunity to work towards greater standardisation of settlement outcomes, given that a large part of the existing service system is represented in the NSP consortium.

About the Settlement Engagement and Transition Support (SETS) Program

The SETS delivers core settlement support for humanitarian entrants and migrants in their first five years in Australia, focusing on activities that assist clients to improve social participation, economic wellbeing, independence, personal wellbeing and community connectedness.

The SETS program builds on the foundation services of settlement support provided by the Humanitarian Settlement Program by delivering services that foster self-reliance, equitable participation in Australian society and, as a consequence, promotes social cohesion and productive diversity within the Australian community.

Introduction

The NSW Settlement Partnership appreciates the opportunity to make this submission ahead of the 2022-23 Federal Budget. This submission follows on from the NSP's MYEFO 2021-22 submission and includes insights and expertise from all members within the Partnership.

The Federal Budget is the primary platform of the Australian Government to commit to social equity and to support the most vulnerable members in our community. It is the obligation of government departments,

agencies and service providers to ensure their programs and services are accessible to all those eligible, responsive to their needs, and delivering equitable outcomes.

This submission makes new three recommendations for consideration, all of which aim to ensure that new humanitarian entrants and migrants to Australia receive the level of support required.

Providing accessible and responsive services to migrants, refugees and people seeking asylum is critical if they are to settle effectively into a new country, rebuild their lives and maximise their social, economic, civic and cultural contribution to Australia.

Recommendations

Migration will be a key pillar of the recovery from COVID-19. It is essential that the policy and program settings are aligned with Australia's long-term needs and interests, while supporting migrants across Australia. The NSP Consortium recommends the following key policy solutions for the 2022-23 Budget.

- 1. To ensure adequate resourcing and funding for the SETS program, allowing the NSP to strengthen its response in the current situation in particular, the key areas of responding to the pandemic and the Afghanistan crisis.
- 2. Enable a transition to Digital Service Delivery to ensure social cohesion is maintained through informed users, upskilled on digital devices, and independently accessing support in key areas of need.
- **3. Streamline the SETS CCB program reporting** processes to enable the NSP to focus more on delivering services rather than spending much needed time in reporting processes.

Current context for the NSP

The NSP welcomes the extension of the SETS contract from 30 June 2022 to 30 June 2024. The additional Domestic Family Violence SETS funding represents new opportunities to provide comprehensive support to a particularly vulnerable group. Since the commencement of the SETS Program, the NSP continues to deliver program outcomes despite the challenges and issues highlighted in the following key areas:

- Overall funding reduction for NSP by 17%; equating to over \$10million over the life of the SETS program.
- Language services funding cut further reducing NSP funding amounts for SETS by 2%; requiring SETS providers to pay interpreting costs from their program budget instead of free access to TIS.
- Syrian caseload overflow into SETS without subsequent funding boost. Additional funding provided for the additional 12,000 Syrian caseload was not extended despite these clients remaining on our NSP SETS caseload.
- The increased refugee settlement in Armidale for the Yazidi (Ezidi) with more than 600 now settled in this new regional settlement location and accessing SETS services without being part of the SETS budget initially.
- Increased administration and reporting requirements (especially SETS CCB).

More recently, there has been:

- Increased demand for SETS services due to the COVID-19 pandemic, with our NSP sessions/activities increasing by 12% in the last six months, and a subsequent 23% increase in medium intensity caseloads.
- The expiry of Social and Community Service Award Supplementation (SACS) on 30th June 2021 that equates to a \$1 million reduction, on top of funding base reduction of up to \$780k for NSP SETS compared to previous year.
- An increase to the Superannuation rate by 5% from 9.5% to 10% resulted in a workforce reduction to meet this gap, contributing to a 15% reduction in SETS workforce across NSP overall.
- A need to transition to a digital service delivery model.
- A heightened need for support by the Afghan community through both SETS CS and SETS CCB, the latter to support capacity to advocate for their concerns following the fall of Kabul in August 2021.

Each of these matters is discussed further below.

COVID-19 Pandemic – Recovery Phase

The impact of COVID-19 continues to be felt in a variety of ways in the communities with whom we work and the organisations in our NSP consortium. COVID-19 has had a significant impact on staff, workload and the number of cases, in addition to limiting face-to-face contact with clients. Clients began contacting workers through text and social media, with some contact conducted at distance and over the fence at clients' homes. There was also greater use of interpreting services, a need highlighted by clients who can interact in English in person but who struggle doing so on the phone. Negotiation and advocacy for and on behalf of clients was hindered by the closure of many local service providers' offices, with settlement workers needing to undertake advocacy via phone, text, and emails instead of accompanying clients to an office. Most tasks took longer having to handle them by methods other than face-to-face. In some areas, there was an increase in clients from out of area calling for assistance regarding legal issues, DFV, etc. These referrals came through CALD community networks.

The NSP, such as the communities we support in NSW, has just survived an extended period of lockdown in Sydney, with snap lock downs in regional areas. There are many positive examples of services and communities rising to the considerable challenges presented by the pandemic. The NSP has remained engaged in supporting our communities, with the additional constraints of many residing in local government areas of concern.

As NSW emerges from lockdown into the present and welcomed freedoms, the NSP is aware of the need to support communities as they build back and adjust to the new normal. The lessons of the pandemic about digital inclusion, effective communication and safety nets remain very relevant. The SETS program provides an ongoing role during COVID-19 recovery as a lead responder in the multicultural health space with language and cultural support in vaccination, booster and critical health messaging.

The NSP will be able to more effectively respond to COVID-19 recovery needs via a funding boost designed to support the increased SETS workload caused by disrupted service delivery and additional resource pressures.

Impacts of the long-term erosion of funding – funding cut

The funding provided to the NSP for SETS program was cut significantly compared to the funding NSP has under the Settlement Services Program – SSP. The SETS Program – collectively CS (Clients Services) and CCB (Community Capacity Building) streams, has experienced more than a 17% reduction in funds during the transition from the SSP to SETS. In addition to reductions in funding, there have been additional financial requirements on the NSP, SACS expiry, increases to superannuation rates, the requirement to fund our interpreter usage from the SETS grant funding coupled with the COVID-19 pandemic and the Afghan crisis.

SACS

The SACS supplementation funding expired on 30 Jun 2021. SACS funding is important in supporting communities and organisations to pay the wages of their workers employed at the frontline of service delivery. This funding is important in allowing organisations within the NSP to deliver quality services to everyone who needs them. Without it we believe that cuts to services are inevitable, and a hindrance to quality service delivery. Also, the historical reasons and decisions for SACs continue to remain relevant and important for the sector. The existing funding reduction in transiting to SETS, plus the challenges posed by language services funding, poses a risk in the final year of the SETS contract and hinders the ability of NSP partners to adhere to their industrial obligations under the ERO ruling.

Superannuation Rate Increase

The employer Super Guarantee contribution rate increased on 1st July 2021 and currently stands at 10%. Further increments of 0.5% will apply annually up to FY2025-26, when the Super Guarantee rate will be set at 12%. This increase constrains SETS providers' ability to efficiently manage workforce resources (as highlighted above). Plus, the expiry of SACS places additional pressure on SETS providers struggling to meet their industrial obligations, pay fair wages to their workers, and maintain quality services to communities.

Cuts to Interpreting Costs (TIS)

As of 1 July 2019, under the new SETS Program, SET providers were required to absorb the cost of providing interpreting services to clients for both the CS and CCB streams. This cost was previously covered under contract arrangements NSW Settlement Partnership 9 through the Translating and Interpreting Service (TIS National), an interpreting service provided by the Department of Home Affairs.

In April 2019, SSI was notified that the Department of Social Services (DSS) offered a one-off additional payment for the 2018-2019 financial year. The purpose of this funding was to assist with the transition to new arrangements, related to the procuring of language services for SETS clients.

In absorbing the cost of language services and associated financial and administrative costings, a number of challenges and risks are felt across the NSP in terms of quality of service delivery, long term impacts for clients and being responsive to new and emerging communities and groups.

We request that SETS funding is reviewed to enable sufficient resourcing across the life of the SETS grant, to enable NSP partners to meet their industrial obligations, pay fair wages to their workers, and maintain quality services to communities.

Challenges of responding to increased service numbers including the establishment of a Regional Settlement Location

Service numbers within the core humanitarian program, as well as the historic additional influx of Syrian refugees, the Ezidi (Yazidi) in Armidale and now Afghan arrivals continue to flow through the SETS program. The one-off additional intake of 12,000 Syrian refugees in 2015 saw a particularly large spike in service demands in South-Western Sydney and an establishment of a regional settlement location in Armidale gave rise to 600 settlers there. These caseloads, while still eligible for SETS services, have not been considered within the current financial allocation. In addition, the choice of Armidale as a regional settlement location and the subsequent arrivals of up to 600 Ezidi settlers has not been factored into the budget plans for the SETS program, and to date is still a cost that the NSP regional providers are covering within the current underfunded SETS funding.

It is recommended that the NSP SETS provider in Armidale be provided with an increased level of funding to support the Armidale Ezidi community to overcome barriers and thrive independently in their new home.

Meeting the Heightened Needs of Afghan Australians

The Afghan crisis has impacted the NSP in a number of ways. There has been an immediate need to support the Afghan community in NSW as they cope with the trauma and uncertainty of the unfolding crisis in Afghanistan.

There has also been the positive work of responding effectively to the huge outpouring of response to the crisis from the Australian community. The NSP has achieved nearly 75% of its Afghan caseloads compared to last reporting period. Such a positive outcome has been achieved despite the fact that staff and systems had to cope with the additional workload already under pressure due to the pandemic. SETS programs allows for the initial response to support Afghan mental health, migration and employment pathways support. SETS providers are the entry point for Afghan communities to access critical information that reduces negative health and social impacts.

The impacts on regional settlement for supporting Afghan arrivals and the community support provided in the SETS space includes increased requests for casework support, legal advice, capacity strengthening and community support.

The NSP requests funding to respond to the need for increased support by members of Australia's Afghan communities. Additionally, there is an anticipated surge of arrivals from early 2022 who will become SETS casework clients in 2023 and will be accessing our SETS community development programs during 2022.

Recommendation 2: Enable a transition to Digital Service Delivery

Benefits of Transitioning to Digital Service Delivery

Digital inclusion is a particular focus for the NSP – both to ensure the communities we support can access technology (in terms of devices/networks/data) and to ensure the NSP as service providers are equipped with appropriate skills, training and resources needed to support their communities.

The COVID-19 pandemic has heightened the need for innovative digital measures and appropriate technological service delivery responses that meet the needs and access capabilities of the diverse SETS cohorts. The issue of digital literacy, and digital inclusion for new migrants and refugees has been identified throughout the settlement sector and most recently the focus of research undertaken by the Settlement Council of Australia. SETS works in the digital inclusion and literacy area, combating misinformation across social media platforms and ethnic media outlets, particularly during the COVID-19 recovery phase.

SETS providers need to be able to equip themselves to deploy programmatic responses to ensure that the SETS cohort have access to SETS services in a more convenient and accessible way. There is a need for building the digital capacity and resources available amongst SETS providers who are facing additional pressures to build the required capabilities in order to achieve desired outcomes.

Increased funding is an investment in resources to upskill community workers to better access and enable the efficient use of technology to support communities — "Digital Community Development". Also, in providing resources to cover the costs associated with implementing technology (hardware and software etc), working from home involves an additional cost burden to NSP partners. Most SETS-funded NSP organisations are already operating with a reduced funding size and many do not have the capacity cover the additional costs required to deliver online service. Purchase of sufficient equipment such as laptops, staff work phones, and sufficient internet data for frontline staff at the coal-face would help bridge the digital divide. Also, this will afford SETS to target client goals and support client needs to improve digital literacy, improve access to services, provide language support and other skills necessary for independence, job readiness and community participation.

Recommendation 3: Streamline the SETS CCB program reporting

Administration and Reporting requirements - Community Capacity Building

Reporting under the SETS CCB stream is quite onerous, when compared to the funding allocated across the NSP. The nature of the contracts has necessitated separate invoicing and reporting for each partner participating in delivering CCB services. For smaller NSP partners, some of whom a total yearly CCB allocation is below \$5,000, it is a particularly onerous ask.

The NSP suggest that the Department of Home Affairs consider simplifying the contract management and reporting requirements of the CCB component of the SETS program and folding it into the main Client Services stream of the SETS program.

Conclusion

Expected outcomes from additional funding

The NSP asks the Department of Home Affairs to provide an initial funding boost in 2022-2023 for the SETS program. This aims to ensure that the NSP SETS providers meet the increased demands of the SETS services, and support communities to overcome the effects of Afghan crisis and COVID pandemic: emerging stronger, united, and together. More importantly, it will help SETS providers meet their industrial obligations, pay fair wages to their workers, and maintain quality services to communities. The NSP would also anticipate further discussion on funding for subsequent years of SETS contract from 2022 onward.

The anticipated outcomes of this funding boost are:

- SETS clients access services that support them to have safe, stable, and secure lives, including education.
- SETS clients are accessing appropriate health and wellbeing services and proactively managing their healthcare needs.
- Participants who access SETS services develop social bonds, social bridges, and social links.
- SETS clients are aware of their rights and responsibilities and understand how to actively participate in society.
- Clients have increased access to potential employment.
- SETS clients have improvements to language literacy, and other skills important for independence, job readiness and community participation.
- SETS clients are linked to community-based organisations and activities of their choice that promote integration and participation.
- Threats to personal safety are identified and disclosures of safety concern are encouraged and supported.

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