



# Better beginnings. Better futures.

Improving Outcomes for New and Emerging Communities

## Fact Sheet 4: Funding and Capacity Building for New and Emerging Community Organisations

Ethno-specific community organisations play a significant role in delivering settlement support, as well as meeting and advocating for the needs of new and emerging communities.

This factsheet aims to highlight some of the key issues affecting new and emerging community organisations and their ability to successfully apply for funding, develop and manage projects, build networks and ensure sustainability.

### The value of community funding

Small community organisations make a significant contribution towards facilitating successful settlement for new and emerging communities through:

- complementing mainstream services;
- providing advocacy support for communities;
- strengthening social participation;
- facilitating economic wellbeing through employment, education, and language skills programs;
- providing volunteering opportunities;
- providing settlement support and community education; and
- providing conflict mediation and community connectedness services<sup>1</sup>.

New and emerging community organisations have increasingly adopted more responsibility for the delivery of services to their communities<sup>2</sup>. Significantly, they often do so on the basis of limited funding, relying largely on volunteers and on one-off, short-term and small grants to manage their operations. This often results in programs that they offer having limited sustainability, necessitating an ongoing reinvestment in resources and time to prepare new funding applications and pursue new opportunities.

*“Community organisations provide much more value than the money that is put into them - there is so much volunteer work involved and you have a guarantee to reach out to certain groups of people.”<sup>3</sup>*

### What are the issues?

#### Availability of funding programs

Broadly, the number of funding programs available to, and accessible by, new and emerging community organisations is limited. In addition, that organisations have been established for different purposes, play different roles, are structured in different ways and representing different interests, is often not reflected in available funding programs.

Specific issues regarding the availability of funding programs are identified as follows:

- Many ethno-specific groups feel that they are discriminated against compared with organisations that have a broader agenda and target larger groups and sections of the community.
- There is a notable absence of grant initiatives that are specific to new and emerging communities.
- Grass-root organisations are typically excluded from consultations regarding funding planning, resulting in them having limited ability to communicate their knowledge of community issues and needs.
- Many current funding strategies and policies are reactive and ignore the importance of preventative work. For example, organisations pursuing proactive activities are often challenged in terms of funding criteria requiring applicants to provide evidence of an existing issue in their community.

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## Former and current Australian Government grants relevant to new and emerging community organisations

### Volunteer Grants

Provided by the Commonwealth Department of Social Services (DSS), the grants are a good practice example of an accessible funding opportunity. Community organisations have said the application forms are simple to complete. Many community organisations have benefitted from the grants.

### Diversity and Social Cohesion Programs

Recently rolled into the DSS Strengthening Communities Program, it provides crucial funding for community organisations for capacity building and fostering social cohesion projects.

### Settlement Grants Program

The grants are becoming less accessible to small ethnic organisations despite the fact that many of these organisations provide settlement services and complement government programs.

### Migrant Communities Employment Fund (MCEF)

*No longer funded.*

MCEF provided crucial support for for grass-root community organisations working towards improving employment outcomes for their communities.

### Building Multicultural Communities Fund (BMCF)

*No longer funded.*

BMCF was targeted at grass-root organisations to foster social inclusion.

## Access to information, networks and collaboration opportunities

Many small new and emerging community organisations have limited social and professional networks, often resulting in family networks becoming a substitute for formal organisational structures. This subsequently limits knowledge and understanding of funding programs that are accessible. In addition, by not being part of existing funding and professional networks, many community organisations do not benefit from the information that would otherwise be distributed by a professional network, including mailing lists, newsletters and other communication mechanisms.

Furthermore, many new and emerging community organisations are unfamiliar with submission-based government funding processes and have limited ability to influence political processes and attract funding. Challenges may also arise as a result of different organisations representing the same ethnic group and failing to collaborate as a result of personal interests, commonly as a result of differing political or religious views.

Moreover, an emphasis on partnerships may conversely have the unintended result of nurturing competition between ethnic groups. In this context, smaller organisations express concern that they could be overtaken by larger organisations if they enter a partnership, or others may become worried that if their specific group is not seen as a priority by the partnership or the funding body, then they could miss out on funding opportunities in the future.

## Preparing funding applications and meeting the eligibility and selection criteria

Feedback received by FECCA through community consultations has noted that, broadly, new and emerging community organisations face difficulties in applying for funding to support community activities. Specific challenges include:

- understanding and responding to funding criteria that are often highly complex and rigorous;
- keeping up-to-date with changes in the funding

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processes including new guidelines, revised forms and new procedures;

- overcoming language barriers, particularly related to limited familiarity with bureaucratic jargon;
- limited capacity to write comprehensive funding proposals due to the lack of previous experience, and/or financial resources;
- framing issues in funding applications to support proactive community-building activities, as opposed to portraying communities as vulnerable and at risk of social problems ('talking down' their communities);
- substantiating claims in funding applications with evidence in the absence of prior experience of case studies to demonstrate how an issue may impact on a community that is new and emerging;
- finding the requisite financial, personal and time resources to conduct research, develop case studies and write reports; and
- preparing a funding application that satisfies a need to deliver on tangible outcomes – funding strategies will generally focus on statistics and targets to measure the outcomes of the organisations instead of the quality of the service delivered.

### Managing the grant and the project

Many community organisations lack the knowledge or skills to effectively manage funds they receive, and work within the requirements and constraints associated with spending public money. They often experience difficulty in meeting the conditions of the grant and using funding in accordance with the timeline and budget allocated.

In addition, they often face challenges with regard to keeping accurate and up-to-date financial records to track spending and the progress of the project. This is compounded by difficulties often experienced in effectively liaising with funders, reporting on projects and managing staff and volunteers.

The amount of administrative work required to manage the funds and the limited resources means that organisations need to invest time to attract volunteers with administrative and management skills. Due to limited financial resources, these organisations have to almost entirely rely on volunteers. As a result, difficulties associated with maintaining a volunteer staff

for administrative tasks often threaten the stability of an organisation and its capacity to effectively deliver on longer-term projects. In many cases most of the funding is spent on logistics and staffing instead of being invested in projects addressing the needs of the communities.

*“Sometimes, groups are simply set up to help people, but running projects requires a lot of other types of skills that don’t necessarily involve helping on the frontline.”<sup>4</sup>*

### Managing community needs and expectations

Many community organisations apply for funding on the basis that they represent a particular ethnic or vulnerable group. Often, however, this is done without initially consulting the community group in question about their needs. The result is that communities often complain that the process is not inclusive enough and that their vulnerabilities and needs are exploited as a tool for pursuing funding without being consulted.

Further to this, there are challenges for community leaders to ensure that the complex needs of their communities are reflected in the management of funding and the implementation of the projects. Many organisations need to invest a significant amount of time and resources in pursuing and securing funding while also having to continuously provide services to their community members. Also, changing government funding priorities can negatively impact on the way community organisations address the needs of their members. In their pursuit of funding, many organisations have to reinvent themselves and adjust their community’s priorities and organisational objectives to match the requirement of the funding available.

*“Leaders who are best at attracting funding may not always be the best at getting things done or rallying the community.”<sup>5</sup>*

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### Making it work

Some strategies that could improve access to funding and the operational capacity of new and emerging organisations might include:

- recognising the important role that such organisations play in fostering social inclusion and in providing settlement support and making adequate funding available;
- relaxing stringent language requirements for applications to make funding rounds more accessible;
- developing more flexible funding criteria to provide new and emerging communities with more equitable access to funding, and allowing them to compete with more established communities;
- ensuring that communities whose needs are to be addressed are involved in the design and implementation of the project for which the funds are sought or were granted;
- organising training programs for organisations to develop their skills in funding applications and fundraising, project and financial management, marketing, forming partnerships, campaigning and volunteer recruitment;
- developing the capacity for funding opportunities between new and emerging community groups and mainstream community organisations (for example, through mentoring programs between more mature organisations and the newly established ones to serve as a mechanism to build capacity of the latter);
- encouraging partnerships between smaller organisations and the development of joint community networks and structures to maximise their capacities and impact; and

- improving engagement and facilitating stronger communication between funding bodies and community organisations to enable better understanding of the processes used by funding bodies in allocating grants.

### References

<sup>1</sup> Refugee Council of Australia. 2013. 'The Strength Within - The Role of Refugee Community Organisations in Settlement'. Available at: <http://www.refugeecouncil.org.au/r/rpt/2013-AnnotatedBibRCO.pdf>

<sup>2</sup> *Ibid.*

<sup>3</sup> D'Angelo, Alessiojubn, Erin Sanders and Ranmal Burkmar. 2010. 'Migrant and Minority Community Organisations: Funding, Sustainability and Ways Forward'. Available at: <http://sprc.info/wp-content/uploads/2013/07/BME-organisations-navigating-the-perfect-storm-A1.pdf>

<sup>4</sup> *Ibid.*

<sup>5</sup> Refugee Council of Australia. 2013. 'The Strength Within - The Role of Refugee Community Organisations in Settlement'. Available at: <http://www.refugeecouncil.org.au/r/rpt/2013-AnnotatedBibRCO.pdf>



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