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CPD Cities and Settlement Initiative

Council on Economic Participation for Refugees

Summary of meeting of the Council in Canberra, ACT on 8 August 2019

Background and introduction

The Cities and Settlement Initiative (CSI) was instigated in late 2017 by the Centre of Policy Development (CPD), with the support of the Myer Foundation, Vincent Fairfax Family Foundation and the contribution of a team of volunteers from the Boston Consulting Group (BCG). CSI is focussed on helping refugees to settle better by helping them to find jobs or start businesses more effectively. It emerged following CPD's February 2017 report *Settling Better*, which found economic participation to be the weak link in refugee settlement in Australia.

The Council on Economic Participation for Refugees (the Council) is one of CSI's three pillars. The full Council has met three times since 2018, in Melbourne, Sydney and Canberra. A smaller fourth meeting of the Council was held in August 2019 to discuss reform opportunities following the 2019 federal election, associated machinery of government changes, and the Shergold Review into Settlement Outcomes. Participants discussed place-based approaches, or 'Community Deals', to improve economic participation for refugees. They also canvassed the ideal service system for refugees, and how the disparate services currently accessed by refugees might be reformed into a more integrated and effective system by 2022.

Session 1: Community Deals

There was a united view at the April Council meeting that place-based approaches focussed on lifting economic participation for refugees have considerable merit. This Council discussion started by recognising the opportunity to advance a number of place-based trials focussed on refugees over the next two years. The trials would build on the 'Community Deals' approach and interventions already being trialled in Wyndham. These trials respond to known pain points within the existing service system for refugees and recognition that locally-led settlement approaches that are more connected to communities on the ground achieve better results. The purpose of the trials will be three-fold. First, to find points of alignment and collaboration between the three tiers of government in identified places to lift economic participation as early as possible in the settlement journey. Second, to take advantage of reform opportunities in language services and harnessing community goodwill. Third, to set up the new system for the future to achieve the best settlement outcomes for refugees and for Australia.

The latest version of CPD's Community Deals model and the emerging experience with this approach in Wyndham was shared with Council participants, who considered the main components of the operating model in smaller groups with a view to setting up any additional trials for success. An updated version of the Community Deals model based on the feedback provided is enclosed. Key observations in the discussion were as follows.

- Orienting services and collaboration towards **sustainable employment outcomes** is a necessary condition.
- The **'tight, loose, tight'** approach is a useful framework for objectives, measurement and delivery. This is the idea that the Community Deal would have firm or 'tight' overall objectives; with local actors having a wide degree of freedom in how they choose to achieve those objectives (the 'loose' element); but with rigorous measurement and evaluation against the objectives (the other 'tight' element).
- Securing genuine **buy-in from local leaders** and local stakeholder agreement to advance **clear, achievable and measurable objectives** is regarded as essential.

- **Defining outcomes collaboratively** through deep conversations at a local level was encouraged — as with the Wyndham human-centred design and ethnographic workshops — along with framing trials in a way that emphasises the strengths of refugees and their families.
- ‘Motherhood’ goals were strongly discouraged. Specificity is vital (e.g. lifting employment outcomes from 17% to 40%). **Specific goals and success measures** on collaboration, social and economic participation, wellbeing and language were floated. This would enable a view within a given time frame (say, two years), on whether the local approach works, the degree of change required and, the conditions under which local approaches could be rolled out across the board.
- There are timely opportunities for the federal government to collaborate with state governments on trials, and a willingness on both sides to accelerate those conversations. There was a strong view that **aligning federal and state investment** in place-based models would promote better outcomes for refugees and enable greater flexibility and adaptation in the delivery of existing services and contracts.
- Participants agreed it was desirable to align outcomes with **streamlined reporting requirements**, but not to wait until those reporting arrangements are finalised (i.e. the back end can catch up with arrangements on the ground).
- Ideally there would be a **single reporting and accountability framework** for each Community Deal that all funders and stakeholders would rely on and engage with.
- A broad range of services and agencies should be included in conversations about Community Deals as early as possible to avoid duplication of effort and maximise alignment. However, lines will need to be drawn in relation to which services are ultimately included to keep the **ambition of Community Deals manageable**.
- Community Deals will not be able to solve every issue within a local community all at once — it could be as simple as striving for jobs, friends and a local backbone driving collaboration.
- The group debated the advantages and disadvantages of ‘activity-based funding’. The discussion focussed on funding a **bundle of activities to generate an outcome**, with the ‘tight/loose/tight’ settings providing **flexibility on delivery**, and adequate comparison across trial sites on the efficient price for interventions.

Session 2: A service delivery system for 2022

In this session, participants discussed what an ideal service delivery system would look like by 2022, the point at which key settlement and employment service contracts conclude. They also considered changes that could be prioritised ahead of 2022 to iterate towards this vision, bearing in mind that existing contracts for federal and state programs such as AMEP and JVEN conclude in 2020, and that trials of the new employment services system have commenced.

Participants identified key features of an ideal 2022 service system. Suggestions included:

- **Clarity of vision** — not program by program renovation but an integrated and collaborative system that generates the best outcomes for refugees and for Australia.
- **One set of outcomes** — a simple set of desired settlement outcomes, informed by lived experience, which could be adapted in place. They would include **social capital** and **economic participation**, along with opportunities to contribute to society, and avoid unnecessary complications (e.g. separation of childcare and language support).
- **One assessment** — owned and potentially carried by a refugee and stored on their behalf, not multiple assessments owned by service providers. The assessment would be **holistic and deep**, assessing client needs, aspirations and capability and using a whole of family lens. One aim would be to avoid unnecessary duplication and thereby make this assessment available to a range of service providers, although caution is required in relation to the treatment of highly personal information, particularly with respect to trauma.
- **Lived experience** — embedded in policy design. There was a strong desire for refugee voice and human-centred design to be used to flesh out the 2022 vision, including by ethnographic mapping of the full user experience. Lessons (positive and negative) from other service delivery models based on the principles of self-determination (e.g. NDIS) should also inform the future service system.
- **Streamlined and responsive service pathway** — if designed on the basis of the experience of refugees, the pathway though the system of services should be seamless and easy to navigate, rather than confusing and fragmented. The system should be flexible enough to respond to individual needs. Navigation through the full system would be supported by **one case manager**.

- **Clever risk-management** — some programs in the current system have seen their providers move from 18% to 58% time spent on compliance. This approach to risk management is wasteful and counter-productive, pulling providers away from the work that would make the most difference to the lives of people. An ideal system would manage risk in a smarter way, by stripping out unnecessary administration and building on the ‘tight-loose-tight’ framework, whereby objectives and their evaluation and measurement were managed tightly and delivery (e.g. the way in which those objectives could be pursued) managed loosely. Identification of efficiencies in the system and more collaborative approaches may increase capacity for providers to focus on direct service delivery.
- **Digital solutions** – and enabling technology should be embraced and the new system would include a mixture of digital and face-to-face delivery.
- **Providers** – could be licensed, not tendered, and rewarded for outcomes worth rewarding (e.g. collaboration, social capital, employment and language targets) not simply for being bigger. Goals should be ambitious (e.g. 17% to 40% employment outcomes, 7% to 60% language attainment).
- **Oriented towards place-based delivery and local knowledge** – by commissioning in place as a preference. Local consortiums and backbone organisations should be genuinely local, not local employees of big national and multinational agencies. For example, commission AMEP/SEE type services in place based on need of the local community/industry, and to a consortium (like the local taskforce described in Community Deals), not via tenders. Local approaches will also be amplified by the consideration of social connections in communities.
- **Expanded social procurement frameworks** and targets could play a positive role in the new system. This would include the **central involvement of employers, as well as government**. Large corporations and conglomerates would identify as champions for refugee economic participation. Refugee employment targets could be set for federal and state government departments.
- **Harnessing community goodwill** - local and national approaches to harness community goodwill could be enhanced to facilitate increased social and professional networking opportunities for refugees.
- **Centre of gravity** – the design and implementation of the ideal 2022 service system would be overseen by a ‘centre of gravity’ for humanitarian settlement policy at the federal level. The recent Machinery of Government changes will result in better alignment of Commonwealth services for refugees, with responsibility for settlement services and the Adult Migrant English Program now within the Department of Home Affairs. The role of coordinator-general was acknowledged as being successful at aligning structures, systems and culture and driving settlement outcomes in NSW, and therefore of potential benefit in other jurisdictions.

Next steps

Bilateral conversations on aspects of the Council discussion look set to continue in the coming months. Some immediate next steps identified include:

1. Governments moving forward with place-based trials that build on the community deals framework.
2. Trialling the enhanced employment service system with refugees.
3. Identifying adaptations to existing contracts that can maximise flexibility within and outside trial sites.
4. Conducting ethnographic mapping and human-centred design work on the full refugee user experience to inform planning for the ideal 2022 service system.
5. Researching, with service providers and local stakeholders, the funding and delivery incentives that would drive the employment, language and settlement service sectors to coordinate towards desired settlement outcomes.

The secretariat of the Council will support the conversations, research and collaboration between Council participants and other stakeholders necessary to progress these ideas.

Proposed structure for 'Community Deals'

1. Community Deal Agreement

- Duration: Minimum four years contingency funding with drawdown every two years
- High level national objectives for all Community Deals
- Federal government staff imbedded in Local Backbone Organisation to learn and propagate success elsewhere (EL1 or EL2)
- High level identification of target cohort
- Annual reporting/review cycle with single reporting framework
- Outcomes/reporting/measurement framework engaging "Tight, Loose, Tight" model (see element 4 below)
- Funding to Local Backbone Organisation for coordination & local interventions, and related conditions (separate from service provider funding)

Federal Departments

- One lead Department, plus other Commonwealth Departments
- Contributing funding and/or Commonwealth services
- Overseeing all Community Deals and convening stakeholders through a national community of practice

State Government Funder

Contributing funding and/or state-funded services

2. Local Collective Impact MOU

Local Backbone Organisation

- Employs Local Coordinator and team (for agreed tenure)
- Holds funding for coordination and local interventions
- Accountable to federal/state funders & Local Taskforce [TBD]
- Ability to direct service provision, consistent with local strategy
- Adaptation/prioritisation of overarching national objectives

Local Taskforce

- Convened by Local Coordinator
- Members: Local Backbone, senior representatives of local service providers, employers, refugee community representatives, educational institutions, other funders of services (e.g., charitable or philanthropic)
- Responsibilities: Define local objectives within ambit of Community Deal Agreement and identify relevant services, develop and oversee implementation of strategy and service delivery model (including assessment tool) and budget and shared/streamlined approach to measurement & reporting
- Principles: Collective impact approach, human-centered design of services, holistic view of clients (individual, family, community)

3. Revised Contracts with Service Providers

Identify government service providers within Local Taskforce

- Revisit contracts to allow flexibility in local delivery/remuneration, consistent with local strategy
- Establish transitional funding arrangements if changes disrupt cashflow

4. 'Tight, Loose, Tight' Framework

- 'Tight' on high level objectives
- 'Loose' on donor requirements regarding local service delivery system (to encourage tailoring, collaboration and coordination)
- 'Tight' on measuring outcomes against agreed benchmarks/objectives

5. Funding for interventions and collaboration

Funding for effective interventions leading to appropriate and sustainable work and local collaboration, with feedback loop to ensure continuous identification of good practice and appropriate pricing.