

ACTCOSS Community Sector Viability Project  
**Finding Solutions**

**Paper 2**

**Funding:  
Issues and Options**

A discussion paper  
12 May 2008

Prepared by:  
Suzanne Lawson  
Community Sector Viability Project  
ACTCOSS  
Ph 02 6202 7277 (Monday / Tuesday)  
email [suzanne.lawson@actcoss.org.au](mailto:suzanne.lawson@actcoss.org.au)



## **About ACTCOSS**

ACTCOSS acknowledges that Canberra has been built on the traditional lands of the Ngunnawal people. We pay our respects to their elders and recognise the displacement and disadvantage traditional owners have suffered since European settlement. ACTCOSS celebrates the Ngunnawal's living culture and valuable contribution to the ACT community.

The ACT Council of Social Service Inc. (ACTCOSS) is the peak representative body for not-for-profit community organisations, people living with disadvantage and low-income citizens of the Territory. ACTCOSS is a member of the nationwide COSS network, made up of each of the state and territory Councils and the national body, the Australian Council of Social Service (ACOSS).

ACTCOSS' objectives are representation of people living with disadvantage, the promotion of equitable social policy, and the development of a professional, cohesive and effective community sector.

The membership of the Council includes the majority of community based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

ACTCOSS receives funding from the Community Services Program (CSP) which is funded by the ACT Government.

### **Contact Details**

Phone: 02 6202-7200  
Fax: 02 6281-4192  
Mail: PO Box 849, Mawson, ACT, 2607  
E-mail: [actcoss@actcoss.org.au](mailto:actcoss@actcoss.org.au)  
WWW: <http://www.actcoss.org.au>  
Location: Level 1, 67 Townshend Street  
Phillip, ACT, 2606

Director: Ara Cresswell  
Deputy Director: Llewellyn Reynders

May 2008

© Copyright ACT Council of Social Service Incorporated

This publication is copyright, apart from use by those agencies for which it has been produced. Non-profit associations and groups have permission to reproduce parts of this publication as long as the original meaning is retained and proper credit is given to the ACT Council of Social Service Inc (ACTCOSS). All other individuals and Agencies seeking to reproduce material from this publication should obtain the permission of the Director of ACTCOSS.

### **Acknowledgement**

The paper has relied on material contained in the 2007 NCOSS research report Sharing Financial Administration. ACTCOSS acknowledges NCOSS, Matrix on Board and Zurich Financial Services Australia for their contribution to the research that has informed this paper.

## Introduction

The ACT community sector faces a challenging future. We are under increasing pressure to deliver more services at a higher quality despite limited financial resources, skills and labour shortages, ageing infrastructure, and a noticeable drift by government back to data-driven cost management, increasing regulatory clauses in funding agreements, and sensitivity to external criticism.

It is now nearly 5 years since ACTCOSS, in collaboration with community sector peak bodies, produced the publication *“Community Sector Viability: An Issues Paper”* in 2003. In that document, ACTCOSS outlined the problems community sector organisations faced in maintaining their viability. In looking back at those issues, many remain familiar, while new concerns have also become more pressing in the intervening years.

It is important to acknowledge that some advances have been made since then. In particular, the commitment by the ACT Government to indexation of community sector funding by reference to general rises in wages and prices has helped many community organisations avoid collapse. In addition, the ACT Government has made commitments in its revised edition of *“The Social Compact”*, and the *“Community Sector Funding Policy”*. At the time of writing, the ACT Government has commenced consultations on setting pricing principles for community services. There have also been a range of capacity building and sector development initiatives that have sought to strengthen the capabilities of community organisations.

Yet if the goal of these initiatives was to secure the long-term sustainability for community organisations in the ACT, there is still some way to go. While ACTCOSS and other community sector peak organisations have continued to raise these issues with government for many years, progress in addressing them is slow and tangible solutions are not abundant. In an election year, and with a healthy budget surplus, there is some prospect that the ACT Government will make some spending commitments to improving community sector viability in its May 2008 Budget. Looking beyond the electoral cycle, however, it has become increasingly clear to ACTCOSS that the community sector needs to develop a strategic direction for its own development in the long term.

The ACTCOSS Community Sector Viability Project aims to begin this process as comprehensively as we can with our limited resources.

## **The Community Sector Viability Project – *Finding Solutions***

The ACTCOSS community sector viability project aims to explore options for securing the long term viability of the community sector in the ACT. Discussion of issues and options is a first step towards developing a strategic direction for the future of the sector. The focus of the project is on finding solutions to key issues of concern to the sector.

Community Sector Viability is a phrase used to describe the ability of community organisations to attract and utilise resources in a sustainable way, ensuring that they have the capacity to deliver services in a cohesive, effective and efficient manner over the long term. This project seeks to find and develop possible solutions that will help community sector organisations achieve this goal, and ultimately ensure that vulnerable people in Canberra get the services and support they require to reach their potential and participate in the life of the community.

### **Issues Papers**

A series of short issues papers will be produced on different aspects of community sector viability to promote discussion and dialogue among community sector organisations in the ACT. We are interested in looking at a variety of solutions, for the short- and long-term, that can be implemented individually by organisations, collectively by the community sector, or collaboratively with government.

- ***Shared services: Issues and Options*** is the first in this series. It looks at the idea of combining certain functions from a number of organisations in order to build the economies of scale that could reduce the cost or improve the quality of some functions of community organisation.
- ***Funding: Issues and Options*** is the second paper in the series. This paper discusses pricing principles, full cost recovery, contracts and funding agreements, partnerships and philanthropy.
- ***Workforce development: Issues and Options*** is the third in the series. It discusses issues of staff recruitment, retention, training, management, wages and conditions. The paper canvasses agency level as well as sector wide options for addressing these issues.

## ACTCOSS Community Sector Viability Project – Issues paper 2

There are a number of other priority issues that have been raised previously including quality, structure and governance and infrastructure and information technology. However due to resource constraints ACTCOSS is unable to address these issues at this time.

This paper sets out some definitions, issues and options for the future. We hope to get a range of input and feedback on this paper.

### Consultation process

Community sector workshops are proposed as follows:

Financial Viability	20 May 2008 9.30-12.30
Workforce Development	3 June 2008 9.30-12.30

Individual consultations will be held during May.

Issues papers will be circulated for written and verbal feedback. Written feedback can be emailed to [suzanne.lawson@actcoss.org.au](mailto:suzanne.lawson@actcoss.org.au) Or phone Suzanne with comments on 6202 7277 (Mondays and Tuesdays).

**Deadline for feedback is 9 June 2008.**

## Background

The range of reforms implemented over the last 15 years has had a significant and enduring impact on the community sector in Australia. This includes: National competition policy; purchaser provider; contracting and output funding; shifts in welfare policy from government provision to markets and individuals; privatisation of services and deinstitutionalisation. The reform process has resulted in what Spall calls organisational 'fragility' amongst many community based organisations<sup>1</sup>.

In the ACT there have been a number of positive developments in recent years that have gone some way to addressing the negative impacts of reform. These are summarised below.

### 1. Funding policy

The ACT Government launched the Community Sector Funding Policy in 2004. The policy formally ended the purchaser-provider model of community sector funding and adopted a partnership approach to funding, in accordance with the Social Compact. The key elements of the policy are:

- Three year funding cycles and multi year funding agreements for service delivery;
- Consistent whole of government approach;
- Joint professional development/training program;
- Focus on quality improvement;
- Flexibility to respond to emerging needs and cater for new service providers; and
- Working collaboratively on sustainability, transparency, quality, planning and evaluation performance management, basis for funding and minimising unnecessary administrative processes are all ways of meeting the objectives.<sup>2</sup>

The adoption of the partnership approach was welcomed by the community sector as was the government's commitment to indexation.

### 2. Pricing principles

The Community Sector Taskforce report (2006) recommended that Strategy 3 of the policy the development of core pricing principles be actioned as a priority. The Joint Community Government Reference Group released a discussion paper on pricing principles in January 2008 and workshops were held in March 2008.

---

<sup>1</sup> Spall P and Zetlin D (2004) Third Sector in Transition – A question of sustainability for community service organisations and the sector? Australian Journal of Social Issues Vol 39 No 3 August

<sup>2</sup> Chief Ministers Department (2004) Community Sector Funding Policy p2-3

The discussion paper describes the purpose of pricing principles as providing:

- A clear and transparent basis on which organisations receive funding;
- Appropriate price setting for community services that provides value for money and ensures long-term community sector viability;
- Clear and balanced accountability in the funding relationship;
- An agreed framework for different types of community sector funding; and
- Implemented in sub-sector plans and service funding agreements.<sup>3</sup>

The feedback from the workshops is currently being collated.

### **3. Philanthropy Review**

Review of Philanthropy was commissioned by the ACT Department of Disability Housing and Community Services in 2007 to:

- Report on nature, levels and trends in philanthropy in the ACT;
- Estimate its contribution to organisations;
- Identify impediments to philanthropy;
- Assess the adequacy of locally directed philanthropy;
- Examine practices by government for supporting philanthropy; and
- Recommend options for act government to raise awareness of and encourage growth in philanthropy.<sup>4</sup>

Whilst these developments are welcome there are a number of ongoing issues of concern for the sector. Some of these concerns relate to the significant impact of the reform process and other relate to difficulties in implementation of the above initiatives. The next section outlines these concerns.

---

<sup>3</sup> Joint Community Government Reference Group (2008) Pricing Principle for Community Services in the ACT – A Discussion Paper p7

<sup>4</sup> ACT Department of Disability Housing and Community Services (2007)

## Issues

Community sector sustainability is intrinsically bound up with organisational capacity<sup>5</sup>. Yet organisational capacity is frequently undervalued – consumer service often takes precedence over capacity to deliver. Public policy rewards minimal expenditure on operational costs and infrastructure and is largely driven by short term political goals. Spall and Zetlin argue that the concept of sustainability should be applied at a policy level and organisational level. At the policy level this would mean small time limited experimental or pilot funding would be reconsidered as the effort by both government and the not for profit sector does not coincide with long term return. Further, casualisation of staff decreases the intellectual and skill capital of an organisations workforce. They conclude that organisational level sustainability is dependent on social capital, financial viability, organisational capability, service delivery processes. Whilst this paper focuses on financial viability, it is recognised that the 4 factors identified above are interdependent.

The factors identified by Spall as contributing to financial viability are:

- Full cost accounting of service delivery;
- Responsible fiscal management (liquidity);
- Adequate capital infrastructure (physical, technology);
- Long term investments and funding cycles;
- Capacity to generate income (commercial and fundraising); and
- Spread of financial risk.<sup>6</sup>

A number of these issues are raised in other reports addressing the financial viability of the sector. These are summarised below.

### Full cost recovery

Full cost recovery is raised in a number of reports as being essential to the ongoing viability of the sector<sup>7</sup>. It is important to be clear about what full cost recovery entails. In its advice to departments on full cost recovery, the UK Treasury includes the following checklist of potential service delivery costs:

- Accommodation;
- Depreciation start up financing costs and capital;
- Financial management, accounting and audit;
- Furniture, fittings and equipment;
- Governance and registration and accreditation fees or membership fees of professional bodies;
- Human resources, recruitment, training and development;

---

<sup>5</sup> Spall P and Zetlin D (2004)

<sup>6</sup> Spall and Zetlin, p296

<sup>7</sup> Ibid, CSTF ACT Government (2006), Joint Community Government Reference Group (2008)

- Insurance and bank charges;
- Monitoring, evaluation and reporting requirements;
- Premises maintenance and management including fire and security;
- Project management, corporate planning and senior management;
- Research and development;
- Staff costs – pay, pensions and redundancy payments;
- Stocks and raw materials;
- Sub contracted services such as consultancy and legal services;
- Telecommunications, postage and IT;
- Travel, subsistence and transport; and
- Utilities.<sup>8</sup>

### **Pricing principles**

The concept of full cost recovery is incorporated into the pricing principles initiative of the JCGRG. ACTCOSS has previously cautioned against the use of oversimplified unit costs in the development of core pricing principles that could lead to a race to the bottom in service delivery<sup>9</sup>. Pricing principles should include a broad definition of full cost recovery to ensure that the costs of service delivery are reflected in organisations budgeting. The quest for efficiency should not compromise the strength of the sector. Rather pricing principles should support the diversity, flexibility, and innovation of the community sector.

This can be achieved through application of the principle of 'value for money'. The UK government stresses that value for money is about getting the best possible outcome from inputs. Value for money is about getting a quality outcome not the cheapest service.<sup>10</sup>

Value for money is maximised when:

- Proportionality – information, control, monitoring and reporting requirements are proportional to the level of risk and funds involved;
- Well managed risk taking – rather than being risk averse funding bodies should consider the level of risk involved with particular funding recipients and vary the framework of control accordingly; and
- Attention to outcomes – primary concern should be whether the funding decisions framework contributes to desired outcomes.

This is an issue that has caused concern in the ACT in the implementation of new financial arrangements between the ACT government and the community sector.

---

<sup>8</sup> HM Treasury 2006 p65

<sup>9</sup> ACTCOSS 2006 p73

<sup>10</sup> Ibid p9

## Financial arrangements and funding contracts

Whilst the change from the purchaser/provider model to partnerships has been generally welcomed, organisations have reported increased government intervention in their management and operational activities. It is imperative that community organisations are seen as independent and not an extension of public sector service delivery. In this way the unique capacity of organisations to be responsive to local needs will be supported. As the UK Audit Office Guidance to Funders and Purchasers report states:

*While it is important to keep in mind the aim and objectives of government accounting at all times and to maintain the principle of securing good value for the use of public money, imposing restrictive terms may not deliver value for money if they frustrate the ability of funded bodies to deliver government's objectives.<sup>11</sup>*

The UK government identified four key areas for improving financial relationships with the third sector:

- Stability in the funding relationship - in particular moving to longer term funding arrangements;
- Timing of payments and balance of risk - payment in arrears results in organisations bearing upfront costs of borrowing;
- Full cost recovery – government needs to recognise that it is legitimate for third sector organisations to recover the appropriate level of overhead costs associated with service provision; and
- Reducing the burden of bureaucracy – streamlining access and performance management requirements for multiple and often very small funding streams.<sup>12</sup>

These issues have relevance in the ACT context. Whilst the funding policy framework includes a number of these goals, the practice over the last few years has been problematic. Many organisations have noted that the quality of funding management and contractual arrangements has been adversely affected by staff turnover in the ACT government. In particular

- delays in funding plans and negotiations have caused gaps in funding;
- new policies and inconsistencies in reporting requirements causing increased management burden and complexity of record keeping systems; and
- trend to short term pilot funding.<sup>13</sup>

This issue has been recognised by the ACT Department of Disability Housing and Community Services who commissioned the Red Tape Review. The Review seeks to investigate the causes and identify solutions to reduce the

---

<sup>11</sup> HM Treasury 2006 p10

<sup>12</sup> HM Treasury 2006 p7

<sup>13</sup> ACTCOSS 2007 p21

administrative burden on not for profit organisations. The Review has the potential to address important funding and viability issues in the sector.

The ACT government commitment to indexation is welcomed. Whilst this allows organisations to meet annual rises in service delivery costs but has not addressed existing gap and (with the exception of HACC) providing for additional costs arising from increased need/demand. The differences between ACT and Commonwealth indexation rates are problematic for organisations receiving funding from multiple sources particularly in terms of salaries and financial planning.

## Investment

Reliance on government funding and insecurity in revenue sources often means that community organisations have little or no capacity to develop independent income generation or invest in capital/physical infrastructure that could strengthen long term viability. In addition organisations have limited capacity to access venture capital from financial institutions to develop/seed new services or expand. In recognition of these limitations a number of public and community based organisations are exploring ways of supporting social and community enterprises. For example:

- The Office of the Third Sector in the UK has a range of programs
  - *Adventure capital fund* - a new form of long-term investment into community enterprises including
  - *Social investment pilots* - pilot programmes investigating how to encourage private investment in social enterprise.
  - *Risk capital fund for social enterprise* - improving social enterprises' access to risk capital.
  - *Unclaimed assets* - a scheme to allow money in dormant bank and building society accounts to be reinvested in society.
- Foresters ANA Mutual Society supports a number of community asset building initiatives in particular ownership of buildings and land. A number of organisations have secured premises with the support of the Society.
- Ross House is a self-managed five-storey building located in inner Melbourne offering tenancy and resources to a diverse range of self-help and small community groups. By providing a stable environment and cheap resources, the Ross House Association aims to reduce the insecurities and financial pressures which so often hamper the activities of small community organisations. The member groups of Ross House are working collaboratively towards a just and environmentally sustainable society<sup>14</sup>.
- Brotherhood of St Laurence supports a range of social and community enterprise. These enterprises can raise revenue for charitable work, create employment and training opportunities, operate within an ethically

---

<sup>14</sup> Ross House (2008) <http://www.rosshouse.org.au/> website accessed 9/4/08

sound framework (both at home and abroad) and offer low income earners affordable, high quality services and products. BSL has established an ethical business unit as well as a community economic development initiative working with disadvantaged communities to develop enterprises.<sup>15</sup>

- Department for Victorian Communities commissioned a report into the role of government in social and community enterprise. The discussion paper suggested that the government can play an enabling role through: recognition of the social economy; partnering specific initiatives; building a supportive regulatory environment; access to technical assistance and/or leveraging investment and social venture capital; and supporting research effort.<sup>16</sup>

## Philanthropy

Philanthropy includes the giving of money, time or volunteering by individuals and businesses. The *Giving Australia* report (2005) estimated that philanthropy in Australia totals \$11 billion a year.<sup>17</sup> Whilst attracting philanthropic resources is widely supported in the not for profit sector (in 2003/04, 80% of NFPs surveyed were active in fundraising<sup>18</sup>), fund raising is not cost neutral. Corporate sponsorship comes at a cost both in terms of time required to negotiate partnership and expectations eg possible values mismatch. Attracting these resources is widely supported in the not for profit sector but there are a number of barriers including:

- Lack of knowledge and information about how to go about it particularly for smaller organisations;
- Staff resources required to mobilise alternative funding;
- Risk management in particular public liability and insurance adversely affecting engagement of volunteers; and
- Maintaining credibility and community confidence in any partnership arrangement.

In sum many organisations do not have the organisational capacity or necessary operating environment to engage in all types of resource mobilisation. Therefore caution needs to be exercised in developing policy approaches that privilege community business partnerships to support the sectors work as these are likely to advantage larger organisations in metropolitan areas.<sup>19</sup>

---

<sup>15</sup> Brotherhood of St Laurence (2008) <http://www.bsl.org.au/> website accessed 9/4/08

<sup>16</sup> Barraket (2008) website accessed 9/4/08

[http://www.communitybuilders.nsw.gov.au/building\\_stronger/enterprise/cse.html](http://www.communitybuilders.nsw.gov.au/building_stronger/enterprise/cse.html)

<sup>17</sup> DFACS 2005 Giving Australia: Research on Philanthropy in Australia pvii

<sup>18</sup> *ibid* p42

<sup>19</sup> Barraket (2006) Community Sector Sustainability: Research evidence and public policy implications, Sector Sustainability Task Group, VCOSS, Victoria, August, pp18-19

## Options

### Administrative burden and funding arrangements

#### **1. Finalise Red Tape Review**

Finalise and release the red tape review for consultation with the sector on implementation.

#### **2. Review Community Sector Funding Policy**

Review funding arrangements across ACT government to improve capacity, transparency and accountability and provide training and guidance to staff. (Similar to the UK Audit Offices Good practice guide for purchasers and funders). This could address the problems reported with government funding arrangements of unnecessary delays, excessive scrutiny and control, inconsistency in contracts. A review could recommend improvements for streamlining practice.

#### **3. Support ACOSS priorities**

Support ACOSS options for strengthening the sector and national priorities in terms of funding:

- Common indexation arrangement across funding programs including Commonwealth/State agreements;
- Funding contracts that meet the full costs of delivering services;
- A seed and capital funding program for non profit community services that struggle to access capital;
- Modernisation of the charity law, establishment of a charities commission;
- Rationalisation of accounting standards;
- Building the cost of evaluation into contracts;
- Development of consistent reporting formats that work for both governments and organisations; and
- Contract arrangements should focus on program quality and program results allowing the organisations to make their own spending decisions within approved budgets; rather than detailed control and monitoring of financial expenditures that are time consuming and excessively restrictive.<sup>20</sup>

### Financial viability

#### **4. Pricing principles**

Finalise work on pricing principles incorporating a comprehensive definition of full cost recovery and value for money based on quality outcomes not cheapest service. Include the concept of organisational capacity in principles.

#### **5. Investment fund for innovative sustainable practices**

The Community Sector Investment Fund (CSIF) is funded by the Victorian Government as part of a range of initiatives to ensure the ongoing

---

<sup>20</sup> ACOSS 2007 Future of the Sector, pp17-19

sustainability of the non-government sector (the Sector). The fund commenced in 2003, to enhance the capacity of the Sector through a series of business and administrative improvement initiatives. While the CSIF is a one-off \$7million investment, its focus is on providing seeding funds to encourage innovations which can over time be spread across the Sector.

The Ministerial Action Plan (MAP), launched in 2005, sets out the goals of the CSIF and identifies the projects and activities that will be carried out using CSIF funding. The Plan is based on advice from the CSIF Advisory Committee, with significant input from the Sector through a series of 'Stakeholder Communication and Input Sessions' and ideas submitted through the 'sector ideas for innovation' process. Sector stakeholders acknowledge that the MAP captured the crucial business improvement issues facing the Sector – though peak agencies would have liked to have seen resources directed to examining broader industry and sector planning issues.

Seven CSIF initiatives were selected as offering 'the best opportunities to bring about real improvements in capacity, sustainability and viability of CSOs using available funds.' The projects are focused on: practical 'quick wins'; collaborative network projects to test innovative business and administrative practices; and strategic projects to address whole of Sector and Sector specific issues. Approximately 50% of CSIF funding has been invested in the CSO Networks; 20% in Workforce strategies and 11% in OHS strategies. The remaining projects have each attracted between 1% and 8% of CSIF funding.<sup>21</sup>

### **6. Public Interest Fund**

Establishing a public purpose fund based on the Law society public purpose fund in NSW<sup>22</sup>. The fund is made up of all interest on money in a general trust account. There are potentially other sources which are untouchable (eg rental bonds) and therefore could be used for accruing interest for a public purpose fund. Funds would need government oversight but removed from the political process.

### **7. Philanthropy**

Subject to the ACT Governments review of philanthropy findings a number of options could be explored:

- Raise image/branding of sector – strategic fundraising;
- Training and practice guidelines;
- Pool of qualified/trained staff or joint efforts; and
- Volunteers – flexible opportunities, structured work and conditions.

---

<sup>21</sup> Department of Human Services (2008)

<sup>22</sup> See Onyx et al (2007)

**8. Social enterprise and community asset building**

Interested organisations could look at options for purchase of premises with a range of tenants based on the Ross House model. Resources include Foresters ANA guide and case studies on community asset building. The ACT Government could play an enabling role for the development of community and Social enterprise to complement its review of philanthropy.

**Table 2.1 – Summary of issues and options**

Issue	Options
<b>Administrative burden and funding arrangements</b>	
<ul style="list-style-type: none"> <li>• Administrative burden associated with accessing and reporting on government funding programs across multiple agencies and level of government</li> <li>• Reporting needs to meet community and government needs</li> <li>• Different indexation arrangements between territory and commonwealth governments</li> <li>• Management of funding contracts problematic and adversely affected by staff turnover in government</li> <li>• Trend towards micro management by government in contracting arrangements rather than a focus on outcomes</li> <li>• Meeting the full cost of delivering services</li> </ul>	<ol style="list-style-type: none"> <li>1. Finalise Red Tape Review</li> <li>2. Support ACOSS priorities for rationalisation</li> <li>3. Review of operation of community sector funding policy</li> <li>4. Pricing principles to include comprehensive definition of costs for full cost recovery and value for money</li> </ol>
<b>Financial viability</b>	
<ul style="list-style-type: none"> <li>• Accessing other funding sources is resource intensive eg philanthropic sources</li> </ul>	<ol style="list-style-type: none"> <li>5. Finalise Review of Philanthropy and collaborative action to improve access to philanthropic funding</li> <li>6. Public interest fund</li> <li>7. Investment fund for innovative sustainable practices</li> </ol>
<ul style="list-style-type: none"> <li>• Limited access to capital and seed funding for small or new organizations</li> </ul>	<ol style="list-style-type: none"> <li>8. Social enterprise and community asset building</li> </ol>

## Questions

The issues paper will be discussed at a community sector forum to canvass options and priorities of ACT community organisations. The following questions are a starting point for this discussion:

**1. Level of interest**

Whether the sector considers any of the options discussed in this issues paper are worth pursuing and if so what are the potential benefits to organisations?

**2. Scope**

If there is interest what are the priorities for organisations? What practice examples already exist?

**3. How**

What are the preferred options for future work and what resources are needed to advance this issue? Who should be involved? What role should peaks play?

Do you know examples of current practice that have helped address funding issues. What have organisations done to find solutions to funding dilemmas?

## Next Steps

Feedback from the community sector will be incorporated into a final report. The report will include priority issues and options discussed by the sector at workshops and provided through comments on the issues papers.

ACTCOSS will circulate the report to community organisations, government, peaks and the Joint Community Government Reference Group. Follow up action will be dependent on the level of interest and resources available to address priority actions identified through this project.

## References

- ACT Government (2007) ACT Skills Commission interim report, Chief Ministers Dept, Canberra, 25 October
- ACT Government (2006) Towards a sustainable community services sector in the ACT, Report of the Community Sector Taskforce, Canberra, March
- ACTCOSS (2007) Investing in our social capital – ACTCOSS submission to the ACT budget 2008-09, ACTCOSS Inc, ACT, September
- ACTCOSS (2003) The contribution of community services to the ACT economy, ACTCOSS Inc, ACT, February
- ACOSS (2007) Future of the sector, ACOSS Sector paper, Strawberry Hills NSW, November
- Australian Services Union (2007) Building Social Inclusion in Australia – priorities for the social and community services sector workforce, Carleton South Victoria, April
- Barraket (2006) Community Sector Sustainability: Research evidence and public policy implications, Sector Sustainability Task Group, VCOSS, Victoria, August, pp18-19
- Barraket (2008) Community and Social Enterprise: What role for government?  
<http://www.communitybuilders.nsw.gov.au/buildingstronger/enterprise/cse.html> website accessed 9/4/08
- Brotherhood of St Laurence (2008) Enterprising <http://www.bsl.org.au/> website accessed 9/4/08
- Department of Disability Housing and Community Services (2007) Terms of Reference for the Review of Philanthropy in the ACT, ACT Government
- Dept of Families and Community Services (2005) Giving Australia: Research on Philanthropy in Australia, Commonwealth of Australia, Canberra
- Department of Human Services (2007) *Community Sector Investment Fund Evaluation Report Executive Summary*, State Government of Victoria, <http://www.dhs.vic.gov.au/pdpd/csif/> website accessed 26/3/08
- HM Treasury (2006) Improving financial relationships with the third sector: guidance to funders and purchasers, [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)

## ACTCOSS Community Sector Viability Project – Issues paper 2

Joint Community Government Reference Group (2008) Pricing Principles for community services in the ACT – A discussion paper, January

McAuley I for ACTCOSS (2000), *Pricing & Costing of Community Services: A guide for community service providers*, October, Canberra.

Onyx J, Dalton B, Melville R, Casey J, Banks R (2007) Implications of government funding of advocacy for nonprofit independence and exploration of alternative advocacy funding models, Social policy research conference paper.

Ross House Association (2008) <http://www.rosshouse.org.au/> website accessed 9/4/08

Spall P and Zetlin D (2004) *Third Sector in Transition – A question of sustainability for community service organisations and the sector?* Australian Journal of Social Issues Vol 39 No 3 August

UK Cabinet Office (2008) Office of the third sector funding finance and support  
[http://www.cabinetoffice.gov.uk/third\\_sector/funding\\_finance\\_support.aspx](http://www.cabinetoffice.gov.uk/third_sector/funding_finance_support.aspx) website accessed 9/4/08