



Submission: Not-for-Profit Sector Development Blueprint Issues Paper

December 2023

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About VolunteeringACT

Volunteering and Contact ACT Ltd (trading as VolunteeringACT) is the peak body for volunteering and provides community information services in the Canberra region. We also deliver programs for people experiencing disadvantage and isolation, people with disability, and people needing support for mental wellness. VolunteeringACT has a vision of an inclusive Canberra, and a mission to foster inclusion by enabling participation and connection.

VolunteeringACT values collaboration, diversity, equity, innovation, integrity, and participation. VolunteeringACT is a people driven, service-focused organisation that represents the interests of 189 members, advocates for and supports volunteers, and engages with the broader Canberra community. Through our activities, we improve inclusivity, enable sustainable volunteering, and create a more resilient Canberra community.

VolunteeringACT is part of the National Network of Volunteering Peak Bodies in Australia.

VolunteeringACT acknowledges the Ngunnawal people as the traditional custodians of the Canberra region and recognises any other peoples or families with connection to this Country. VolunteeringACT is committed to reconciliation and will continue to walk alongside First Nations Peoples and embrace the traditions, stories and wisdoms of the oldest continuing cultures in the world.

VolunteeringACT acknowledges volunteers of all genders and sexualities, with all abilities and from all cultures. Their skills, expertise, and time are critical to delivering services and programs, and in making Canberra a better place to live. We also acknowledge the contribution of the volunteer involving organisations (VIOs) that contribute to the health and happiness of our community.

This submission has been made as part of our commitment to ensuring the perspectives and expertise of volunteers, VIOs and volunteer leaders informs development of public policy and contributes to achievement of positive social, economic, and environmental outcomes. The content has been informed by the experiences of organisations in our membership and networks, and our experiences of engaging with and delivering services to people living with mental ill health, people with multiple/complex needs including those with a dual diagnosis of substance misuse and mental health, and people with disability, including psychosocial conditions.

Introduction

VolunteeringACT welcomes the opportunity to provide a response to the Not-for-Profit (NFP) Sector Development Blueprint (the Blueprint) Issues Paper and applauds the commitment to establishing a 10-year vision and priorities for action to strengthen and support the NFP sector in Australia. We note that it is important that this work is informed by and aligned with the current consultations also underway: 'A stronger, more diverse and independent community sector' (DSS) and the Philanthropy Inquiry (Productivity Commission).

As recognised within the Issues Paper, the NFP sector plays a central role in enabling and fostering a fair, inclusive and prosperous society. The valuable work of NFP organisations is supported by the contributions of millions of volunteers, with half of Australia's charities staffed entirely by volunteers.¹

Volunteers are an often-invisible workforce supporting a wide range of services and activities across society and contributing to building healthier and more resilient individuals, communities, and natural environments. Volunteering is an activity that cuts across numerous government portfolios including (but not limited to) disability, social services, health, environment, mental health, education, and employment. There is great potential for the Blueprint to recognise, champion, support and strengthen the contribution of volunteering to Australian society.

Much of our feedback in this submission is applicable to the NFP sector as a whole, but we have focused on highlighting key issues that we believe are particularly pertinent for the volunteering sector and should be prioritised in the Blueprint. We have provided a list of key recommendations for action below, with further details provided on the following pages, organised under key headings from the Issues Paper.

VolunteeringACT also supports and endorses the national submission made by Volunteering Australia to this consultation.

Recommendations

- 1. Define the scope of the Blueprint more clearly.**
- 2. Ensure that the Blueprint incorporates a key focus on advancing and supporting volunteering in Australia, in alignment with the National Strategy for Volunteering and its Strategic objectives.**

¹ Australian Charities and Not-for-Profits Commission (2023) *Australian Charities Report – 9th Edition*, available: www.acnc.gov.au/tools/reports/australian-charities-report-9th-edition, p19

- 3. Delineate volunteering and philanthropy within the Blueprint, make it clear when recommendations apply to volunteering and consider the impact of all Blueprint recommendations on the volunteering sector.**
- 4. Ensure funding for the NFP sector is sufficient to fund the full cost of service delivery including the provision of appropriate wages for skilled staff, and the cost of safe, ethical and inclusive volunteer programs.**
- 5. Ensure funding agreements for the NFP sector are of sufficient length (ideally a minimum of five years), with appropriate indexation applied annually and longer notice periods provided for termination and extension.**
- 6. Ensure government allows realistic and respectful timeframes for consultation with the sector and adequately funds organisations to participate in government engagement processes.**
- 7. Ensure NFP peak body organisations are adequately funded to undertake their critical systemic advocacy and engagement work and explore opportunities to broaden peak body remits.**
- 8. Ensure that the volunteer workforce is recognised as a vital component of the NFP workforce.**
- 9. Ensure that the needs and unique nature of the volunteering sector is considered in relation to workforce regulation and reform.**
- 10. Ensure funding for digital infrastructure and capability building is included as standard within NFP funding agreements.**
- 11. Ensure that all NFP funding agreements include adequate funding for monitoring and evaluation activities as standard.**
- 12. Support the expansion of peak body remits and funding agreements to include data collection/collation and data literacy/capability building components.**
- 13. Ensure contracting and funding arrangements support co-design and other engagement processes with people with lived experience. This includes moving away from rigid outcomes-based approaches, allowing adequate timeframes for meaningful consultation and providing sufficient resources to support these activities.**

The not-for-profit sector in Australia

The Blueprint terms of reference indicates a focus on Australian charities that are regulated through the ACNC. However, throughout the Issues Paper, formal NFP organisations not registered as charities and the broader NFP sector are also referenced. There is a need to more clearly clarify and define the scope of the Blueprint.

There is a persisting lack of respect and recognition from many policy makers and funders for the critical work undertaken by the NFP sector. This is particularly the case for the volunteering sector. Volunteers are a vital, yet largely invisible part of the workforce across a variety of sub-sectors and the contribution of the volunteering sector must be better recognised and resourced appropriately.

As a strategic roadmap to ensure a strong future for the NFP sector, a key focus of the Blueprint must be advancing and supporting volunteering in Australia, in alignment with the [National Strategy for Volunteering 2023-2033](#) and its Strategic Objectives.

Recommendations:

- 1. Define the scope of the Blueprint more clearly.**
- 2. Ensure that the Blueprint incorporates a key focus on advancing and supporting volunteering in Australia, in alignment with the National Strategy for Volunteering and its Strategic objectives.**

Philanthropy and volunteering

The Issues Paper currently addresses volunteering alongside philanthropy. VolunteeringACT would like to emphasise the need to delineate volunteering more clearly from philanthropy. Formal volunteering (which takes place within an organisation or group) is distinct from other forms of philanthropic giving, particularly the donation of money and assets. This distinction is recognised in the draft 'Future foundations for giving' report from the Productivity Commission, which states: "The giving of time through volunteering is included as a form of philanthropy in this inquiry, but the Commission heard that volunteering is often considered by organisations relying on volunteers, and by volunteers themselves, as distinct from what is commonly regarded as 'philanthropy'. The Commission sought to understand the differing characteristics

of volunteering compared with other forms of philanthropy and reflected this in our analytical approach.”²

As highlighted in Volunteering Australia’s submission in response to the Issues Paper, recommendations relevant to volunteering must consider the particular motivations, barriers, and policy challenges facing volunteering in Australia, which are often different from those affecting the giving of money and assets to charities and NFP organisations. Further, volunteering should be considered across all areas of the Blueprint as it is a cross-cutting and essential workforce within the NFP sector. Volunteering can take many forms, and these should be recognised and supported where appropriate in line with Strategic Objective 2.1: Diversify the Understanding of Volunteering, in the National Strategy for Volunteering (2023-2033).³

Recommendation:

- 3. Delineate volunteering and philanthropy within the Blueprint, make it clear when recommendations apply to volunteering and consider the impact of all Blueprint recommendations on the volunteering sector.**

Government funding, contracting and tendering

The NFP sector is chronically underfunded – and this is particularly the case for the volunteering sector in the ACT, which has not received adequate levels of investment to properly fund and support its volunteer programs for many years.

Volunteer programs are generally cost-effective to run, can support and enhance other service delivery mechanisms, and provide a great return on investment. While volunteers offer their time for free, there are costs associated with running volunteer programs and they require adequate funding to ensure their viability. A report commissioned by ACTCOSS in 2021 found that only 25% of 88 surveyed community sector organisations were adequately funded to manage volunteers.⁴ The report states, “The costs of managing volunteers is high and completely unfunded. These costs are not just in management of people, they also need access to professional development, supervision, workplace health and safety etc.”⁵

² Productivity Commission (2023) *Future foundations for giving – Draft Report*, available: www.pc.gov.au/inquiries/current/philanthropy/draft/philanthropy-draft.pdf, p62

³ Volunteering Australia (2023) *National Strategy for Volunteering 2023-2033*, available: volunteeringstrategy.org.au/wp-content/uploads/2023/02/National-Strategy-for-Volunteering-2023-2033.pdf, p48

⁴ ACTCOSS (2022) *Counting the costs – Sustainable funding for the ACT community services sector*, available: actcoss.org.au/publication/report-counting-the-costs-sustainable-funding-for-the-act-community-services-sector-2/

⁵ ACTCOSS (2022) *Counting the costs – Sustainable funding for the ACT community services sector*, available: actcoss.org.au/publication/report-counting-the-costs-sustainable-funding-for-the-act-community-services-sector-2/ p21

There is a clear need for greater resourcing for volunteer programs and volunteer management functions/staffing. While demand for these activities is rising, funding levels are not. Volunteers require ongoing line management to ensure their volunteering experience is ethical, safe, inclusive, and in line with the National Standards for Volunteer Involvement (currently being refreshed).¹² It is vital that programs are run in this way, as this ensures they are sustainable and deliver high quality outcomes.

On top of the lack of existing resourcing for volunteer programs, there is an added challenge of inadequate indexation. Future NFP funding arrangements need to consider the 'real' costs of facilitating quality volunteering opportunities, with fair and transparent funding increases year on year built in to enable organisations to keep pace with increasing demand.

One of the biggest challenges experienced by ACT volunteer-involving organisations is the short-term nature of service funding, or the provision of only small levels of grant funding for a year to programs that are actually very successful and should be sustained over a longer period. Government needs to ensure provision of more secure NFP funding agreements – ideally of a five-year minimum tenure – which would help to ensure services are able to flourish, improve and grow sustainably. This would also aid staff recruitment and retention. Similarly, government should provide generous and transparent notification periods and support NFP organisations during transition periods. For example, the standard notice period currently provided in grant agreements for either termination or extension is three months. This timeframe is far too short to effectively plan for services, retain key skilled staff to deliver services and creates an enormous waste of resources when services transition out only to later receive an extension.

Finally, there is a persisting and significant wage disparity between other sectors and the NFP sector which is not reflective of the level of skills and experience of many NFP roles, and levels of risk and accountability carried by many NFP staff. This can also make it difficult to attract and retain highly skilled staff in the NFP sector. In the ACT, this is especially problematic due to the large presence of public service institutions based here and competition within a local talent pool.

Recommendations:

- 4. Ensure funding for the not-for-profit sector is sufficient to fund the full cost of service delivery including the provision of appropriate wages for skilled staff, and the cost of safe, ethical and inclusive volunteer programs.**
- 5. Ensure funding agreements for the NFP sector are of sufficient length (ideally a minimum of five years), with appropriate indexation applied annually and longer notice periods provided for termination and extension.**

Policy, advocacy, communications and engagement

VolunteeringACT commends the Issues Paper for highlighting the vital importance of supporting advocacy within the NFP sector and the recognition that NFPs often act as vital conduits between communities and policy makers due to the breadth and depth of their networks.

Supporting advocacy by the sector and undertaking meaningful and inclusive consultation requires the government to be realistic and respectful to the demands on time experienced by the NFP sector. This initial consultation phase on the Blueprint Issues Paper has been conducted during a very busy time of the year for NFPs and against an unrealistic deadline, putting a strain on already tight resources. It did not allow for paid staff and volunteers working in NFPs to participate properly in conversations, nor take into account other consultations that were happening at Federal and jurisdictional level in the last quarter of the year. Requests for extensions were declined, with the reasons given being inadequate in response to the concerns raised – demonstrating a clear lack of understanding of the sector’s needs and lack of respect for the expertise and knowledge of specialist peaks whose role it is to advocate for their members/networks. This is an example of poor practice around government/sector engagement and government listening to and respecting the advice they receive from NFP organisations and peak bodies. This is significant in terms of the very reforms government is seeking to make via this Blueprint.

Government must allow adequate timeframes for engagement, including genuine co-design/co-production processes, to occur with the sector and commit to allocating specific funding to enable this. This should include resourcing ongoing engagement on public advisory groups and other decision-making structures, in order to properly recognise and value sector expertise and capabilities. Currently, organisations are expected to participate in government consultation and engagement processes at their own cost which can place a significant burden on time and resources.

Recommendation:

- 6. Ensure government allows realistic and respectful timeframes for consultation with the sector and adequately funds organisations to participate in government engagement processes.**

Peak bodies are a vital part of the NFP sector policy development process and provide critical systemic advocacy and engagement activities on an ongoing basis across numerous NFP workstreams. Current peak body funding, however, is far from adequate. The government

cannot expect peaks to sustain regular engagement and provide assistance with reform delivery without better resourcing. Further, there is significant potential for the government to utilise NFP peak bodies (jurisdictional and specialist) much more effectively. This would lead to more streamlined approaches, less duplication, greater efficiency, and ultimately value for money. A shift in perception about the core functions of a modern peak body would allow for remits related to data collection/collation, co-design, technology and systems infrastructure, marketing and communications. These areas of need are frequently viewed by funders as “nice to have”, when in reality they are essential components for any modern organisation to operate in an increasingly digital and data-driven environment.

Recommendation:

- 7. Ensure NFP peak body organisations are adequately funded to undertake their critical systemic advocacy and engagement work and explore opportunities to broaden peak body remits.**

Leadership and staff development

Given their significant contribution across the NFP sector, volunteers must be regarded as an integral part of the workforce in a way that accounts for them within strategic and funding planning process and allocations. Volunteering needs to be included as standard in any national workforce development initiatives and volunteer and VIO expertise should be listened to, respected, and responded to within such initiatives.

At the same time, there is a need to ensure that the volunteering workforce is not over-regulated at a practical implementation level. For example, the Child Safety agenda is a national mandatory reform with significant funding attached to implement it at a national level. The reform is currently lacking specifics, however, on the volunteering-context in relation to implementing Child Safe Standards and does not provide enough detail to aid practical implementation. VIOs and volunteering peak bodies cannot easily respond to these reform responsibilities in addition to their existing work without the resourcing to accompany it, but often find themselves doing so because the unique needs of the volunteering sector haven't been considered strategically and factored into capability building approaches, resource design and/or implementation budgets. The Productivity Commission's draft 'Future foundations for giving' report highlights the issue of unnecessary regulatory barriers to volunteering and calls

for Australian, state, territory and local governments to more actively consider how changes to policy and programs will affect volunteers.⁶

Recommendations:

- 8. Ensure that the volunteer workforce is recognised as a vital component of the NFP workforce.**
- 9. Ensure that the needs and unique nature of the volunteering sector is considered in relation to workforce regulation and reform.**

Information Technology, communication and marketing

VolunteeringACT strongly supports the Blueprint priority area for action 'Improved digital inclusion and capability, and support for digital transformation'. Funding for digital infrastructure and capability needs to become business as usual within NFP funding agreements. Many VIOs, in particular small and micro VIOs, lack up-to-date technology, IT training and skilled staff, with cost and time being major barriers in this space. Digital communication (including social media, 'push' channels, etc.) is now a fundamental aspect of all NFP service delivery and funding for this is essential, not a 'nice to have'.

The recent DSS-funded [VIO Online Accessibility Survey Report](#) (2023) provides valuable insights into VIO digital capability, capacity and need across Australia. It found that access to digital technologies is vital for VIOs to manage their operations efficiently, maintain service delivery and communicate with their communities. However, only three in five VIOs rate their overall digital capacity positively and less than half of surveyed VIOs provide digital skills training to their staff.⁷ The main barriers to VIO investment in technology were reported to be financial constraints, lack of perceived need, limited knowledge and expertise, reliance on personal devices and the preferences of volunteers.

There is a clear need to support and resource NFP organisations to better ensure digital inclusion and capability. Peak bodies could play a key role in supporting this through, for example, coordinating the provision of relevant training, resources and guidance. Government departments and commercial organisations invest in training and development of staff, data solutions, online marketing and communications and digital infrastructure as regular aspects of an essential operating budget. The needs of the NFP sector are no different and NFPs

⁶ Productivity Commission (2023) *Future foundations for giving – Draft Report*, available: www.pc.gov.au/inquiries/current/philanthropy/draft/philanthropy-draft.pdf, p25

⁷ DSS (2023) *Volunteer-involving organisations Online Accessibility Survey – Executive Summary*, available: volunteering.freshdesk.com/support/solutions/articles/51000361454-volunteer-involving-organisations-online-accessibility-survey

shouldn't be treated differently to their government or for-profit counterparts when it comes to funding these functions.

Recommendation:

- 10. Ensure funding for digital infrastructure and capability building is included as standard within NFP funding agreements.**

Measurement, outcomes and quality of services

There is a recognised need for improved collection and sharing of data across the NFP sector. As identified in the Issues paper, critical gaps in data exist in the sector and there is an onus on government to support NFP organisations to become more data capable. In addressing this issue, it is important to consider the significant diversity across NFP organisations with respect to data collection, capability and issues of data ownership and sovereignty.

NFP Funding agreements should include funding dedicated to monitoring and evaluation as standard and this should include funding allocated to the development of data capture tools as well as building data literacy and capability within staff teams. Government departments and commercial agencies invest significant funds in data solutions and systems as regular and essential components of their operating budgets. The NFP sector shouldn't be treated differently to their government/commercial counterparts when it comes to funding data related functions.

Recommendation:

- 11. Ensure that all NFP funding agreements include adequate funding for monitoring and evaluation activities as standard.**

Peak Bodies are well-placed to assist NFPs with data collection and capability, particularly smaller and micro-organisations. To support this, peak body core funding arrangements need to expand to include data collection/collation and data literacy/capability building components. This should be considered a direct and core activity in any modern peak body funding arrangement. Doing so would represent a vast return on investment, as peaks are able to deliver 'cascading' models of training/capability building, resulting in wide-reaching impact on sector practice and application of learning. Peaks can also offer vital skills in this area that small or micro-organisations may otherwise struggle to access or incorporate into their overall operations due to their scale and limited resourcing.

Recommendation:

12. Support the expansion of peak body remits and funding agreements to include data collection/collation and data literacy/capability building components.

The Issues Paper identifies that there is a move towards outcomes-based funding and rightly recognises that this is not fit for all purposes. On-the-ground services and communities are best-placed to identify their own needs. Individual communities should be empowered to articulate these needs and be part of a co-designed solution. To support this, NFP organisations require longer timeframes to assess gaps and formulate solutions in collaboration with other stakeholders, including individuals, families, local government, business, and other community organisations. However, the structure and content of most NFP contracting/funding arrangements have not evolved to reflect the co-design process. It is unreasonable in many cases for NFPs to be asked to define specific outcomes before a co-design process has commenced. Further, there is a need for funders to provide actual, adequate resourcing for organisations, peaks, and people with lived experience to participate in meaningful consultations and gather input. This includes recognition of the value of genuine co-design and providing timeframes and resources that allow for it to occur wherever possible and appropriate. Research demonstrates that genuine and effective co-design or co-production requires authentic and equitable collaboration and should be underpinned by respect and sharing of decision-making power.^{8,9} Further, meaningful and genuine co-design requires allocation of appropriate time and resources to enable it to occur.¹⁰

Funders are often too risk-averse, and there is a need for greater diversity of funding options and for the government to take a more agile approach and build greater flexibility into funding and monitoring, evaluation and reporting processes.

Recommendation:

13. Ensure contracting and funding arrangements support co-design and other engagement processes with people with lived experience. This includes moving away from rigid outcomes-based approaches, allowing adequate timeframes for meaningful consultation and providing sufficient resources to support these activities.

⁸ Butler T et al (2022) A Comprehensive Review of Optimal Approaches to Co-Design in Health with First Nations Australians, *Int J Environ Res Public Health*, 19(23):16166, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9735487/>

⁹ Agency for Clinical Innovation (2019) *A Guide to Build Co-design Capability*, https://aci.health.nsw.gov.au/_data/assets/pdf_file/0013/502240/Guide-Build-Codesign-Capability.pdf

¹⁰ National Mental Health Consumer and Carer Forum (2021) *Co-design and Co-production*, <https://nmhccf.org.au/our-work/advocacy-briefs/co-design-and-co-production>

Authorisation

This submission has been authorised by the Chief Executive Officer of VolunteeringACT.

Jean Giese
Chief Executive Officer
