



VICTORIAN ALCOHOL AND DRUG ASSOCIATION

**Submission to the Stronger Community
Organisations Project Steering
Committee
(Department for Victorian Communities)**

***STRONGER COMMUNITY ORGANISATIONS
PROJECT: DISCUSSION PAPER***

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The Victorian Alcohol and Drug Association

Who is VAADA?

The Victorian Alcohol and Drug Association Inc. (VAADA) is a peak organisation, which aims to reduce the harms associated with alcohol and other drug (AOD) use within the Victorian community.

VAADA's membership comprises agencies working in the AOD field, as well as those individuals who are involved in, or have a specific interest in, prevention, treatment, rehabilitation or research that minimises the harms caused by alcohol and other drugs.

What does VAADA do?

As a peak organisation, VAADA's purpose is to ensure that the issues for people experiencing the harms associated with alcohol and other drug use and the organisations that support them are well represented in policy and program development and public discussion

VAADA seeks to achieve this through:

- Engaging in policy development
- Advocating for systemic change
- Representing issues our member's identify
- Providing leadership on priority issues to pursue
- Creating a space for collaboration within the AOD sector
- Keeping our members and stakeholders informed about issues relevant to the sector
- Supporting evidence-based practice that maintains the dignity of those who use alcohol and other drug services (and related services)

VAADA membership

As a statewide peak organisation VAADA's community / constituency is broad. Its membership and stakeholders include 'drug specific' organisations, client advocacy organisations, hospitals, community health centres, primary health organisations, disability services, religious services, general youth services, local government and others (schools, counselling services, correctional/diversion services, legal services) as well as interested individuals.

VAADA's Board is elected from the membership and comprises a range of expertise in the provision and management of alcohol and other drug services and related services.

Member services of VAADA provide a range of services to people experiencing the harms associated with alcohol and other drug use, which include:

- Withdrawal – residential, home-based, outpatient and rural
- Substitute programs – methadone and buprenorphine
- Supported accommodation
- Residential rehabilitation
- Counselling, consultancy and continuing care, and peer support
- Day programs
- Legal services

Introduction

VAADA thanks the Steering Committee for the opportunity to comment on its Discussion Paper for the Stronger Community Organisations Project. VAADA believes that the Victorian community sector will face serious challenges to its effectiveness and sustainability over the next ten years.

Most of VAADA's members are NGO organisations from the AOD and related sectors. At present, our members report that their funding levels do not allow them to provide adequate services to their clients. Our member agencies also report increasing demand and waiting lists for AOD services, and increasingly complex needs among clients, yet current funding constraints prohibit agencies from expanding services to allow people in need to access them.

VAADA therefore believes that the AOD NGO sector is already under strain. However, as will be described below, we also believe that in the near future demand for community-based AOD services will increase¹, while funding to the community sector will continue to be rationalised. This represents a significant threat to Victorians' capacity to access AOD services.

In light of the above, VAADA submits its comments on the Steering Committee's Discussion Paper in the hope that some strategic planning now will strengthen NGOs' capacity to deal with future challenges. Although our commentary will focus on issues relevant to the AOD NGO sector, VAADA has gleaned information from non-AOD members and from attendance at cross-sectoral forums which suggests that many of these issues are relevant to the community sector generally.

VAADA's submission comprises

- A summary of the trends that we consider will have a major impact on community organisations over the next 5-10 years;
- The impact those trends will probably have on community organisations if no strategies are implemented to ameliorate their effects;
- A description of what vibrant and strong community organisations might look like;
- Strategies for strengthening Victorian community organisations; and
- A description of the roles the community sector, business, and government might have in strengthening community organisations.

¹ This statement is based on the fact that the Victorian population is growing, and on the assumption that the rate of demand for AOD services will not decline. At present there is no reliable method of quantifying demand for AOD services.

Major influences and trends

Demographic and social trends

Findings from the 2006 Australian Census² show that

- The population is continuing to age, with the median age rising from 34 to 37 between 2001 and 2006
- Over half of the adult population is now unmarried
- Almost a quarter of the population lives alone
- A fifth of the population follows no religion
- Household debt continues to increase
- Two-fifths of the population was born overseas or has parents born overseas

VAADA considers that these statistics represent social trends that have serious implications for organisations working in the community sector.

Ageing

The ageing population has similar implications for the community sector as it does for other sectors of the workforce. Fewer workers will be available to support a larger non-productive population. More people will experience age-related health conditions, placing a disproportionate burden of care on a health system that will have fewer workers to draw on.

The ageing population presents the AOD sector with specific challenges. Increased use and abuse of both licit and illicit drugs will have a range of flow-on effects for the aged, in terms of

- care and treatment
- health education strategies related to minimising harms
- GP prescribing practices
- broader health care initiatives.

Some members of the community sometimes assume that older drug users should not be given priority focus as treatment resources are better spent elsewhere. Older drug users themselves may assume that it is too late for treatment to make a difference to their lives.

However, given that the aged represent an increasing proportion of the population, it will be interesting to see how and if structural changes will address these issues. Greater planning and financial commitment is required for the AOD community sector to better meet and support the particular health needs of older clients.

On the other hand, the ageing population may present community organisations with a greater population base from which to draw volunteers. The feasibility of strategies to encourage older people into volunteering could be explored, including:

- Tax credits and other tax incentives
- Healthcare credits
- Developing elder-friendly cultures within community services

² Australian Bureau of Statistics, 2007.

Social Isolation

The increasingly high proportions of individuals living seemingly disconnected social lives and making lifestyle choices which isolate and distance them from a sense of community will lead to greater social alienation and a sense of anomie. Increased vulnerability will occur as people are

- Less connected to traditional social structures
- Involved in fewer and/or weaker social relationships and networks and are more isolated and anomic

This will in turn have an impact on the social and mental health of our communities. According to VAADA's members, these isolated individuals may be

- More likely to experience symptoms of mental illness
- More likely to use alcohol and other drugs problematically as a way of dealing with loneliness.

VAADA members consulted for this submission indicated that AOD service clients were increasing in complexity, in part attributable to an existing lack of capacity and protective factors within communities. In this context, community organisations will be required to stand in as social networks for increasing numbers of individuals who are disconnected from traditional types of social relationships and structures.

- This will in turn require new and better skills among the community workforce.
- Members consulted by VAADA believed that a generalist front-line service, catering to the multiple needs of clients, may be needed within the community sector.

Debt

Increasing levels of household and personal debt will:

- Increase the proportion of household income that must be spent servicing debt
- Reduce the proportion of people who can afford housing
- Increase the number of families in which both parents must work, possibly affecting the quality of parenting in some families
- Place individuals servicing large household and personal debt under stress, which can potentially
 - Increase stress-related medical conditions
 - Increase incidence of mental illness
 - Increase problematic alcohol and other drug use
 - Exacerbate relationship break-ups and social disconnection

Many of these factors are likely to increase demand for social services in the future. Issues raised by 'Interface local governments' experiencing significant development and growth highlight the benefit of forward social planning, and the establishment of services seeking to reduce the impacts affecting particular communities. Although there has not yet been much focus on drug and alcohol services being part of the planning equation, our practice experience highlights the need for forward planning in the growth and development of these services.

Immigration and isolation

The increasing proportions of Australians born overseas will also increase demand for social services as recent immigrants settling into a new country will require support in

- Accessing employment
- Accessing housing
- Developing connections to healthcare, education, and other social institutions
- Accessing language teaching services, if appropriate
- Re-building informal social networks

On the other hand, research indicates that AOD services for people from culturally and linguistically (CALD) backgrounds are most effective when conducted in collaboration with CALD communities³. Community-based organisations are ideally placed to work collaboratively with these communities. We are of the view that more effort should be placed on addressing the specific needs of newly arrived communities and how to address their needs within mainstream or ethnic specific community organisations.

Locational trends

VAADA considers that population growth in the outer Melbourne metro 'Interface' area will continue to challenge Victorian community services. At present there is relatively little community infrastructure in these areas⁴, including

- A lack of community health care services
- A lack of welfare services
- Transportation deficits

As of 2006, all Interface Local Government Areas except the Mornington Peninsula had a younger population than the Melbourne average⁵. The community sector faces a situation in which the outer metro regions will have a young population without adequate community infrastructure. This situation is further compounded by inadequate transportation to access services elsewhere, and relatively undeveloped social, cultural and educational amenities. These factors contribute to isolation, anomie, and a range of consequential social and health issues. Many of the issues affecting the interface development areas are impacting on rural and regional communities as well.

Employment trends

Recent employment trends and the compounding of issues with the introduction of Industrial Relations laws such as 'Workchoices' have had several negative effects on the Victorian community. With the casualisation of the workforce, people have shorter tenure and less job security; consequently, people are unable to plan for or make long-term life choices. This has widespread societal ramifications which will obviously impact on the community sector and its range of services.

³ Kennedy & Goran, 2007.

⁴ Hancock & Horrocks, 2006; Interface Councils, 2006.

⁵ Australian Bureau of Statistics, 2007. Thirty-three percent of the total 2006 Melbourne population was aged under 25 years. In the Interface Local Government Areas in 2006, the proportion of the population under 25 years ranged from 35.1% (Yarra Ranges LGA) to almost 40% (39.5%, Hume LGA). Similarly, while only 18.9% of the total 2006 Melbourne population was aged under 15 years, figures for the Interface LGAs ranged from 21.3% under 15 (Yarra Ranges LGA) to 24.7% under 15 (Cardinia LGA). The exception was the popular retirement zone of the Mornington Peninsula LGA, where a smaller than average proportion of the population was under 25 (30.8%). In the Mornington Peninsula LGA, 33% of the population is aged 55 and over, compared to the Melbourne average of 23.1%. It can be expected that Mornington Peninsula communities will face the challenges associated with an ageing population, rather than those challenges facing the other Interface LGAs.

Given the trend towards rationalisation of community sector funding (described below), workers within the community sector will also experience less job security.

- Consequently, decreased length of tenure within the community services will lead to loss of organisational and practical knowledge

Like many other parts of the community sector, within the AOD sector workers are much better remunerated in the equivalent private sector services. Consequently, AOD community organisations find it difficult to recruit and retain suitably qualified and experienced staff. These problems affecting the AOD sector and the broader community sector raise issues which if left to develop without remedial attention could potentially develop into an impending workforce shortage crisis

Environmental trends

As the environment changes, energy, fuel and water become more expensive in Victoria. Consequently, the cost of living will rise, and there will be a wide range of impacts not only on food or fuel but many other goods and services. These changes will have a particular impact on lower income families and those living in Interface communities; and there will be consequential impacts on many other individuals and groups across our society.

This is likely to represent two specific future challenges to Victorian community organisations:

- Community organisations will need to have capacity to respond to increasing need among lower income individuals/families, and
- The community sector as a whole will need to collaborate on planning and building capacity – not only in Interface communities, but more broadly across a range of community areas, including rural, regional, and isolated communities, and other communities where there are very special and particular needs.

Public policy trends

VAADA considers that, in the absence of a new policy vision for the AOD sector in Victoria, the Victorian Government will continue to rationalise its investment in the AOD community sector. Currently the Victorian Department of Human Services is devising an AOD policy strategy⁶ that

- Does not increase funding to the AOD sector, despite a growing population target
- Seeks to make current services operate more efficiently within the current funding model, where it is well recognised that there is little financial capacity to stretch services

The trend towards rationalising the AOD service system is driving several inter-related policy trends affecting the AOD sector. These include trends towards:

- Increased partnerships between government, communities, community organisations, and business
 - Where Government increasingly funds organisations to develop links to other specialist organisations, rather than to develop internal capacity to deliver a range of services
- Integrated services

⁶ Department of Human Services, 2007b.

- Where Government funds organisations to form consortia, rather than to develop internal capacity to deliver a range of services
- Service brokerage
 - Where Government funds community organisations to buy services from specialist agencies, rather than to develop internal capacity to deliver a range of services

If these policy trends continue

- Community organisations' resources will increasingly be diverted from frontline services towards specialist services, the development of partnerships and linkages between organisations.

Another strong but generally more positive public policy trend influencing the AOD sector and other community sectors is the trend towards increased client participation in the development and design of services⁷.

- VAADA considers this trend towards greater client participation to be positive, representing a genuine chance to involve community members directly in service design and delivery.
 - Involving clients in service design helps makes services more relevant to client need, and more likely to achieve desired outcomes.

Consequences of current trends

VAADA is concerned at the consequences of an Australian society which is becoming increasingly individualistic and anomic. The consequent increase of a range of social problems will be inevitable. Specifically, the AOD sector will potentially be impacted by the broader societal shifts resulting in increased abuse of licit and illicit drugs, as well as increasing alcohol abuse.

The current Victorian Government commitment to the AOD sector sells short the sort of problems and complexities becoming increasingly apparent, and which are arising in no small part as a consequence of these shifts. The AOD sector faces the challenge of trying to support individuals that are losing social connectedness and resilience. Adequate resources must be allocated not just to deal with the issues after the horse has bolted but to deal things pro-actively as well.

VAADA considers that, unless these trends are somehow deflected, they are likely to have the following effects on the AOD community sector:

- To cope with increasing workloads in an environment of reduced government funding, AOD community organisations will be forced to turn away increasing demand for treatment and allied services, and will also be forced to seek funding from a range of sources, potentially reducing their specialist focus.
- It is not difficult to envisage more and greater resources being allocated by agencies to fulfil risk management and accountability issues arising from multiple funding demands as well.
- This proportioner-allocation of scarce resources will divert from frontline service delivery and compound treatment access issues.

⁷ Department of Human Services, 2007b; Department of Human Services, 2007a.

Viability of smaller community organisations

There is a concern that the above trends will create a need for community organisations to develop and maintain relatively large administrative structures, and that smaller community organisations may no longer be able to survive economically.

- Consequently, smaller community organisations may merge into larger entities. While merging smaller community organisations may result in economising over shared infrastructure it has the disadvantages of
 - Homogenisation
 - Loss of local response
 - Detachment of management/policy from frontline services

It is possible that over time market forces might ensure the survival of an optimum number of community organisations, in terms of location and diversity. However, given that different treatment types have different efficacy rates for different drugs of concern⁸, VAADA believes that moves should be made to preserve diversity within the community-based AOD treatment sector.

- A strategy for preserving diversity within the community-based AOD treatment sector will be described in the following section of this submission.

Problems with funding models

At present, the Victorian community sector operates on a competitive purchaser/provider funding model. Despite its many limitations and general dissatisfaction with its application, there is currently no sign that this funding model is likely to be reformed.

VAADA's members currently report several problems with the competitive purchaser/provider model as the model currently promotes a culture of suspicion and less than optimal collaboration within this complex sector. This in turn

- Discourages collaboration between AOD community sector organisations, which in turn
- Deters community organisations from performing in the linked-up and integrated manner in which they are increasingly being required to perform
- Resulted in broad system and policy directions that have also exacerbated fragmentation of policy and direction of the AOD sector, and worked against clients' best interests by
 - Reducing availability of integrated services
 - Requiring clients to do more of the work of seeking out appropriate treatment and support services
- The broad policy environment also discourages AOD community sector organisations from developing a unified policy stance on AOD issues
 - This in turn prevents effective advocacy on AOD issues from within the AOD community sector, resulting in
 - The voice of AOD clients and AOD service providers being obscured in policy debates
 - Failure to incorporate this expert knowledge in Government policy
 - Failure to develop greater understanding of and compassion for AOD clients within the general community
 - Allows the flourishing of systemic and policy distortions which arise because of the policy void

⁸ Ritter et al, 2003.

If, as described earlier, community organisations are forced to seek funding from multiple funding agencies, they will become more immersed in competing for funds against other community organisations.

VAADA recommends that consideration be given to reforming the purchaser/provider funding model used in Victoria's community sector (see additional information below).

Other potential changes to the community sector

VAADA considers that the reduction in government funding to the AOD community sector will place increasing pressure on AOD community organisations to consider a fee-for-service delivery model under some circumstances. Such a strategy would have serious drawbacks, including:

- Reducing accessibility of services to lower income clients
- Reducing the community's sense of ownership of an essential community social service

Lack of adequate funding to the AOD community sector in the near future might have further consequences:

- Staff will leave the public health sector to access higher wages in the private sector
- Increasingly, managerial efficiency will be prioritised over client outcomes

In summary, while continuing rationalisation of funding to the AOD community sector may be economical, it will cause much damage to the operation of community-based AOD organisations. This will, in turn, negatively affect clients of AOD services.

Strategies for strengthening community organisations

VAADA believes that many of the negative effects of economic rationalisation on the community sector could be averted by implementation of strategies aimed at strengthening the community sector. This section of the submission will firstly describe what strong and vibrant community organisations will look like in the future. It will go on to suggest strategies which might be worthy of further exploration.

The goal: vibrant community organisations

VAADA's membership believes that the following will be features of vibrant community organisations in the future:

- Good client engagement
- Good pay and conditions for staff
- Stronger cross sectoral connections
- A policy contribution which influences and is adopted and implemented by government
- Real, equal partnerships with government and business
- Engagement with families of clients where appropriate
- Commitment by Government to meet community demand for services

Community organisations which manifest these features would be better placed to cope with the increased burdens placed on them by socio-economic changes. Further, features such as engagement with clients and with families of clients will enhance relevant and meaningful service delivery. Such an approach keeps services

real and helps counter service fragmentation and isolation, as well as building resilient communities.

The method: strategies for strengthening community organisations

Workforce and leadership development

VAADA's members report that several measures can be taken to improve leadership among the AOD community, and to help develop the AOD non-governmental workforce. These measures include:

- Developing funding models that support ongoing administration and management costs
- VAADA suggests that the possibility of developing Reciprocal Rotation Project-style projects between the AOD sector and other sectors (as well as within other sectors) be explored.
 - DHS has recently developed the Reciprocal Rotation Project (RRP) between the AOD and mental health sectors.
 - In the RRP, staff are swapped between mental health and AOD services
 - Where the RRP operates properly, it provides staff in both sectors with valuable experience.
- Community organisations having the capacity to develop safe and healthy workplaces where people want to work, and where clients are treated with dignity.
 - A key element to making workplaces attractive is that organisations have the capacity to create an environment where staff feel rewarded for doing their jobs
- An essential part of the equation is to also strengthen and support client advocacy organisations
 - Clients of community-based organisations must be able to access advocacy services so that
 - Clients can participate as partners in the development and design of community services
 - Clients of community-based organisations are properly represented in Government policy-development processes
- The AOD sector along with other parts of the community sector dealing with profoundly disadvantaged clients must be de-stigmatised
 - Currently many services within the AOD sector do not receive any applications for advertised positions. It is believed that the stigma attached to people who use alcohol and other drugs problematically is a significant factor impacting on recruitment. Consequently, the availability of AOD services may lessen, as there simply may not be enough workers to service need. VAADA notes the considerable in-roads made by the mental health sector on the issue of de-stigmatising its client group
 - We recommend setting up a reference group to look at this and a range of other workforce planning issues
- Currently, AOD community organisations are required to offer workforce development opportunities to their staff.
 - However, once staff are skilled up, they often move to other areas which can offer better remuneration.
 - A review of remuneration rates in the AOD and the broader community sector is essential if staff are to continue to be attracted to work in difficult

and challenging environments. It is important to at least look at remunerative equity in the Victorian community sector.

- VAADA recommends that the issues of remuneration and workforce planning are crucial and require immediate government commitment

The use of volunteers within the AOD sector while not optimal should also be explored. It is not a well developed area within the sector but one which may under some circumstances have some potential. Community-based AOD organisations could employ a variety of tactics for attracting volunteers, including

- Making workplaces more attractive to volunteers
- Have volunteer support programs in place
- Offering volunteer training programs
 - Community organisations would need to be adequately resourced to offer support and training
- Recognising the skill and experience of the older generation
 - However, there would be a need to translate their skills into a useable service

Organisational governance

VAADA notes that, if community organisations are required to access diverse funding streams, they will require more complex systems of governance than at present. Specifically, community organisations will need complex accountability mechanisms to account for their different funding streams, and better overall management and Board input.

AOD community services report that there is a trend towards government micro-management of community-based organisations. While VAADA acknowledges that organisations must be fully accountable for funding received, in some areas the intensity of oversight mechanisms

- places a disproportionate administrative burden on community organisations
- acts as a disincentive to innovation and flexibility in service delivery

VAADA is concerned at the impost on organisations brought about by having multiple funding streams and the tendency for micro-management by some funders. This places agencies significant bureaucratic imposts on agencies. Government could alleviate this burden by

- Rationalising reporting mechanisms in consultation with relevant sectors.
- In collaboration with the appropriate stakeholders, designing a concise and consistent performance measurement system that could be adapted for use in accounting for different funding streams. Participants could include:
 - state, federal and local government
 - philanthropic organisations
 - Corporate donors

Assets and infrastructure

VAADA's members believe that community organisations need regular funding for maintenance and replacement of assets and infrastructure. Currently AOD community organisations are not funded to maintain their administrative infrastructure, with the consequence that organisations can find it difficult to operate effectively. Some organisations are forced to manipulate project funding in order to sustain administrative structures. VAADA suggests that Victorian community sector

funding models be modified to take account of community organisations' administrative needs.

Collaboration and Community Development

VAADA considers that a significant step in strengthening community organisations would be the re-establishment of a Community Development framework. This framework would encompass activities within and across sectors to assist with more appropriate service development and service delivery, including:

- Developing funding opportunities for networks and promotion of collaborative approaches to complex issues and creating linkages among community organisations
 - VAADA's membership reports that partnership-based projects are more successful where relationships are well developed
 - Ongoing forums/linkages between community organisations, such as the Yarra Drug and Health Forum, are an excellent basis for partnership projects, and also represent capacity-building for communities

VAADA considers it essential that work is done to build on the existing whole-of-government strategy, ensuring that the strategy continues to develop and take form with genuine dialogue. Genuine dialogue might require the development of a Compact or other formalised partnership agreement between Government and the community sector.

VAADA considers that the purchaser/provider funding model currently used to organise funding to the community sector hinders collaboration between community organisations. VAADA would support a full review of community sector funding models, investigating alternatives to the purchaser/provider model appropriate in the Victorian context.

VAADA's membership believes that the AOD community sector needs to be funded on an outcomes- rather than an outputs-based model. The existing outputs-based model is considered by AOD community organisations to be detrimental to services' ability to meet clients' needs because it

- Does not recognise the true cost of delivering AOD services
- Does not fund organisations adequately to deliver services

VAADA suggests that any review of the Victorian community sector funding system assess the viability of funding community organisations using outcomes-based performance measurement systems.

Additionally, VAADA notes that the Council of Social Services of New South Wales (NCOSS) has already conducted a review of community sector funding models⁹, which found that

- in general, renewable funding on a long-term basis (3-5 years) is preferable to non-renewable and short-term funding, in terms of benefits to both clients and services
- competitive tendering for funds has many negative unintended consequences, and is appropriate only in limited circumstances

The review could examine community sector funding models used in other states, ranging from the Queensland Department of Communities project-based grants

⁹ Council of Social Services of New South Wales, 2006.

model, to the ACT Government Community Sector Funding Policy¹⁰, where the Government works collaboratively with community organisations and service users to determine community services' funding.

Finally, VAADA also notes that community sectors would need to be fully consulted prior to implementation of any new funding model.

The roles of different players in strengthening the community sector

Different sectors will have different roles to play in developing and implementing strategies for addressing community need.

Role of the community sector

VAADA believes that community organisations should be encouraged to think of themselves as 'of and for' the community. Community organisations should encourage all members of a community to participate in service delivery at some level, whether as volunteers, sponsors, or in some other capacity. This will enhance ownership of services within the community – which will in turn help build community capacity and resilience.

- Within the AOD sector, opportunities for involvement and participation would make for more tolerant and understanding communities. Participation would facilitate understandings which would have broader influence on the strength of social bonds.

Role of business

Business values are sometimes but not always at variance with community values. It is important to continue to foster better relations and understanding between business and community, and also to foster good and proper corporate responsibility which is genuinely based and does not solely exist for 'reputation management' purposes.

Often there is a dissonance between how business and monied interest are perceived and how the community sector is perceived.

There is ample room for genuine bridge building, however. Business can contribute valuable resources to community organisations, including:

- Higher levels of taxation
- Donations of money
- Corporate sponsorship of projects
- Skills and expertise through Board membership, volunteering, pro bono support

Business should be encouraged to see itself as having a stake in the community, to be part of it rather than apart from it. Increasingly businesses will be required to be part of the solution to problems which they have helped bring about, including social dislocation, the impacts of casualisation, and environmental damage. Business should be encouraged to adopt environment-, community- and family-friendly policies.

- Businesses should be encouraged to develop philanthropy and a sense of commitment to the community which provides their profits.

¹⁰ Department of Disability, Housing and Community Services, 2004.

There may be a need for economic modelling to convince business of the long-term costs of not responding to community need.

Role of government

For many years now Governments have sought to devolve many aspects of what they traditionally have done to the community sector. While aspects of this have often provided better targeted and relevant services, there has been considerable concern in relation to governments using community based organisations as cheaper delivery mechanisms. The nature of government funding drives down costs, in the process impacting not only on wages but OHS standards. It forces organisations and staff to work in substandard arrangements and affords clients less than appropriate levels of dignity in the process.

The process of risk-shifting removes government from direct responsibility for complex and intractable issues, often moving the burden back to the community sector. The extensive focus of government on 'risk management' also has a widespread impact on the capacity of agencies to adequately advocate for fear of de-funding, as funders appear more concerned about keeping issues out of the media than seeing injustices resolved.

The broad move to outsourcing also fragments policy development and research. Community organisations will be required to develop programs according to inconsistent funding requirements, and often ill-grounded policy directions.

In order to strengthen the community sector, Government should be encouraged to

- Work in full partnership with the community sector
- Develop a whole-of-government strategy for the community sector
- Develop funding models that recognise the full worth of the community sector to Victorian communities.

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