



St Vincent de Paul Society  
NSW  
*good works*

# Not-for-profit Sector Development Blueprint Issues Paper

Submission to the Department of Social Services

December 2023

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# 1. Summary of Recommendations

- i. The Blueprint should commit to the service design and delivery principle of: Person-centred support, trauma-informed responses, client voice / expertise of people with lived experience, outcomes focused approach, intersectoral, joined-up responses and collaboration.
- ii. To move towards an outcome focused approach, government should:
  - a) Initiate co-design of program outcomes and corresponding performance indicators with the NFP sector and with clients, to ensure that the outcomes are relevant and meaningful to the people who use the service.
  - b) Fund integrated, cross-sectoral responses to meet people's needs holistically and achieve more sustainable long-term outcomes.
  - c) Provide NFPs with flexible funding aligned to the desired outcomes rather than being funded for prescriptive service outputs. Funding should be inclusive of research, planning and evaluation to enable NFPs to co-design program delivery models in partnership with local communities.
  - d) Fund NFPs for longer-term contracts of at least five years, but up to ten years where more time is required to achieve change.
  - e) Build NFP sector capacity to implement effective outcomes focused approaches, including:
    - o resourcing organisations to monitor and report on outcomes, and/or to develop outcome data systems, and
    - o educating NFPs about outcomes-based approaches, including outcomes measurement and reporting, including how to integrate outcomes data into service delivery as a therapeutic tool with clients.
- iii. To support NFPs become data capable and informed by evidence government should invest in consistent data sets and common platforms across government health and social service agencies and the NFP sector, IT systems for NFPs to track and report on outcomes, and staff education and training in outcomes measurement and reporting.
- iv. To increase giving to charities, government should consider Philanthropy Australia's recommendations, in particular the need to maintain uncapped tax deductions and the potential to foster the growth of place-based giving through government matched fundraising.
- v. To increase support safe, inclusive, accessible and meaningful volunteering, government should
  - a) a) make mandatory compliance checks portable across organisations, and
  - b) b) waive the cost to organisations for mandatory volunteer compliance checks, like the National Police Certificate.
- vi. To improve how it funds and contracts NFPs, government should:

- a) Allocate program funding based on evidence about local population needs and the quantum and spread of current service provision, to better align charities' grants to adequately respond to local communities.
- b) Fund charities' administrative and overhead costs, including management costs, planning, research, grant preparation and acquittal, capital infrastructure component and insurance cover.
- c) Provide business development funding so organisations can buy-in consultancy or fund the cost of developing significant tender submissions.
- d) Implement equitable, systemic and transparent indexation to all NFP grants and contracts that reflects the actual increase in costs incurred by funded organisations.
- e) Provide ongoing, secure funding Fair Work Commission determinations.
- f) Implement longer grant periods, of at least five years, with provision for periodic funding reviews built-in to ensure NFP funding remains fair and reasonable over the course of the grant.
- g) Provide greater flexibility within grant agreements for NFPs to respond to emerging or changing population cohorts, within the context of the program's objectives.
- h) Include provision for NFPs to roll-over unspent program funds at the end of each financial year.
- i) Broker relationships between organisations working to achieve common outcomes in a location or area.
- j) Allow adequate time for the NFP sector to prepare and adapt for any new funding, procurement and contracting models, particularly models underpinned by relationships and collaboration.
- k) Design funding, procurement and contracting models that incentivise and reward collaboration.

## 2. Introduction

St Vincent de Paul Society of NSW (the Society) makes this submission to the Australian Department of Social Services' (DSS) issues paper on Not-For-Profit (NFP) Sector Development Blueprint. We welcome the Commonwealth Government's commitment to develop a ten-year plan to ensure a strong future for Australian charities.

This submission is informed by the Society's long history of providing support to people in NSW for over 140 years. Through our members we provide food, financial and material support to people in crisis, along with professional support services including housing and homelessness, domestic and family violence, drug and alcohol and disability and inclusion. Our services and good works are funded through a combination of our own revenue generated through our retail stores and donations, and from government funding.

This submission complements, and is in addition to, the St Vincent de Paul Society National Council submission. We also refer DSS to the Society's recent submission and recommendations [on a stronger, more diverse and independent community sector](#).

The Society's submission responds to the following three areas identified in the Issues Paper:

- Section 3. Measurement, Outcomes and Quality of Services
- Section 5. Philanthropy and Volunteering
- Section 8. Government Funding, Contracting and Tendering

## 3. Response to the Issues Paper

### 3.1. Measurement, Outcomes and Quality of Services.

*What core principles of service design and delivery might a sector Blueprint commit to?*

The Society recommends the following service design and delivery principles as part of the Blueprint:

- Person-centred support – service responses should place the person at the centre of decision-making, so they have control over the services they receive. Supports should be flexible, strengths-based and tailored to meet the person's wishes and priorities.
- Trauma-informed responses – many people who receive support from charities have had adverse experiences over their life, and the service system must provide responses that are trauma aware, safe, strengths-based and integrated to promote recovery and to reduce the possibility of people being re-traumatised.
- Client voice / expertise of people with lived experience – services should be designed in recognition that people are experts in their own lives and are best placed to identify solutions to their challenges, to share their experiences and advice to inform policy, programs and services, and to undertake peer roles to empower and support other people accessing services.
- Outcomes focused – services should be funded, delivered, measured and evaluated based on the positive changes that happen for people and communities as a result of the program. Outcomes data should be used to help organisations improve what they are doing, informed by what is working and what is not.

- Intersectoral, joined-up responses - the Blueprint drives greater co-ordination across national, state and local governments; across agencies within each level of government; and between government and NFP partners.
- Collaboration – services should be designed, funded and delivered in partnership with the NFP sector, as well as with people who are the intended users of the program/services.

**Recommendation:**

The Blueprint commits to the service design and delivery principle of: Person-centred support, trauma-informed responses, client voice / expertise of people with lived experience, outcomes focused approach, intersectoral, joined-up responses and collaboration.

*What good examples of codesign have you been involved in which could benefit sector practices? Why do you think they have worked?*

**SVDPNSW Bushfire Recovery Community Development (BRCD) Program**

Government should co-design programs with NFPs and with the people who are the intended beneficiaries of the program or service. NFPs must be supported and resourced to lead co-design with local communities to enable effective place-based approaches.

The Society’s Bushfire Recovery Community Development (BRCD) Program is an example of a successful disaster recovery and risk preparedness response that was co-designed with local communities following the devastating 2019-20 NSW bushfires.

The BRCD Program was a two-year, state-wide initiative that engaged more than 12,000 people across six regions across NSW: Richmond Valley, Clarence Valley, Kempsey, Shoalhaven, Glen Innes and Wingecarribee, to a total of 12,677 people and 1632 households.

As per the logic model below, the BRCD Program aimed to:

1. improve community and individual resilience and disaster preparedness capacity;
2. help strengthen community cohesion and increase individual sense of wellbeing and positive outlook; and
3. support local government rehabilitation, regeneration and productivity.

The Program’s key features were:

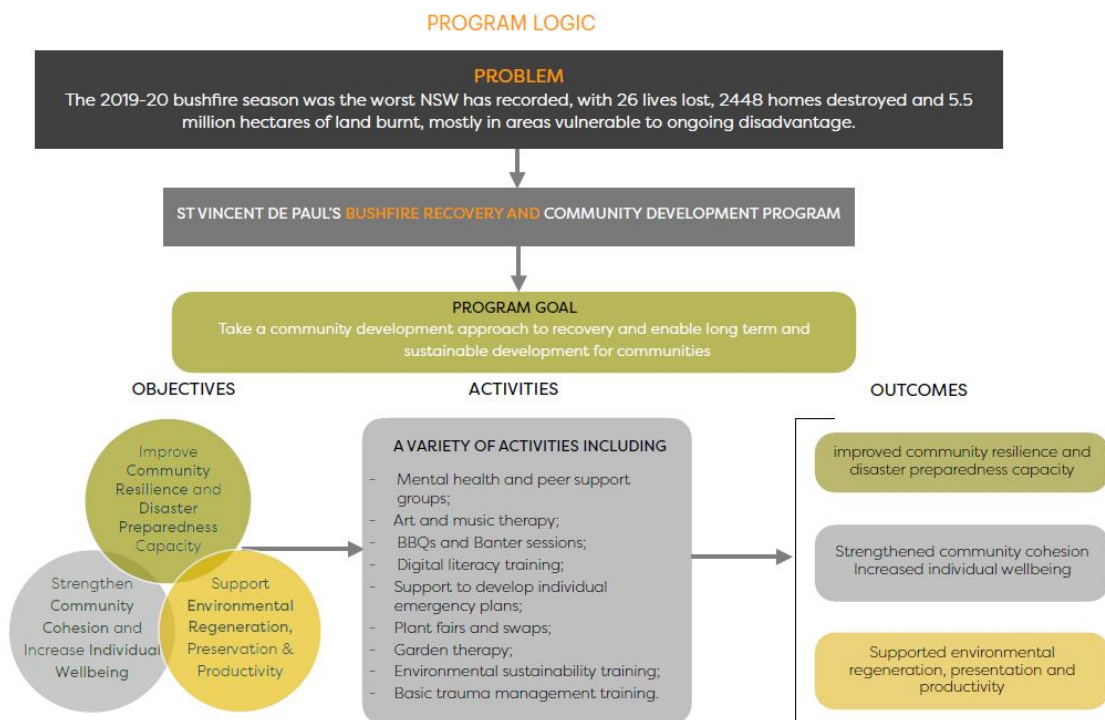
- A community development model designed to promote participative democracy and directed by people within local communities,
- A whole-of-community approach with a particular focus on vulnerable groups, including those with disability or mental health challenges, First Nations people and those who are socially isolated.
- Delivery of a range of activities including training, community conversations, and peer support.

An independent evaluation of the Program concluded that it delivered on its intended objectives. The evaluation noted the Program’s particular strengths were that it:

- delivered good practice community development disaster response tailored to the needs of individual communities; and
- strengthened community cohesion and contributed to community wellbeing and positive outlook.

The BRCD Program's key outcomes were:

- 1632 households were prepared for future natural disasters;
- 686 community leaders were trained with skills in hazard reduction and disaster management;
- 23 types of preparedness activities were delivered in 26 communities;
- 2 hazard identification and planning events;
- 22 unique activities revitalising community connections;
- 544 people skilled in trauma management;
- 2556 instances of casework, support and referral;
- 544 people with information and referrals for services;
- 43 double-impacted households supported to respond to rebuild critical personal infrastructure;
- 42 organisations with strengthened organisational capacity;
- 1 double-impacted community group supported;
- 9 types of land regeneration investment in 22 communities.



*What would an outcomes focused approach look like in your area(s) of work? What would be needed to move towards this and what unanticipated consequences should government and the sector consider?*

An outcomes approach would involve NFPs delivering programs aimed at achieving positive change for their clients and community over time. NFPs would be rewarded for delivering on specified outcomes prescribed in an integrated health and human services performance framework.<sup>1</sup> The framework should be co-designed with the sector and service users, and outcomes should align to the United Nations Sustainable Development Goals and Closing the Gap. To the extent possible, outcomes should align across Commonwealth and State jurisdictions to streamline the reporting requirements and reduce the administrative burden on NFPs.

Such an approach is appropriate for programs seeking to support people over a longer period to improve their wellbeing outcomes. However, it is not relevant to programs that deliver assistance to meet people's immediate needs in the short-term, such as the DSS Financial Crisis and Material Aid – Emergency Relief.

An outcome focused approach would be based on principles discussed above, including being person-centred, trauma-informed, and joined-up/intersectoral. It would generate reliable data to inform further systems or sector development for decision-making about resource allocation and capacity.

**Recommendation:**

To move towards an outcome focused approach, government should:

- Initiate co-design of program outcomes and corresponding performance indicators with the NFP sector and with clients, to ensure that the outcomes are relevant and meaningful to the people who use the service.
- Fund integrated, cross-sectoral responses to meet people's needs holistically and achieve more sustainable long-term outcomes.
- Provide NFPs with flexible funding aligned to the desired outcomes rather than being funded for prescriptive service outputs. Funding should be inclusive of research, planning and evaluation to enable NFPs to co-design program delivery models in partnership with local communities.
- Fund NFPs for longer-term contracts of at least five years, but up to ten years where more time is required to achieve change.
- Build NFP sector capacity to implement effective outcomes focused approaches, including:
  - a) resourcing organisations to monitor and report on outcomes, and/or to develop outcome data systems, and
  - b) educating NFPs about outcomes-based approaches, including outcomes measurement and reporting, including how to integrate outcomes data into service delivery as a therapeutic tool with clients.

*What role(s) should government play in helping NFPs become data capable and informed by evidence?*

Government can help NFPs become data capable and informed by evidence by investing in consistent data sets and common platforms across government health and social service agencies and the NFP sector. Common data tools, platforms and repositories would reduce the reporting

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<sup>1</sup> For example, see the NSW Human Services Outcomes Framework, NSW Department of Communities and Justice (2021) [What is the NSW Human Services Outcomes Framework?](#) (webpage, accessed 30/10/23),



burden on NFPs and provide more holistic evidence about client journeys and outcomes to inform more effective program design and delivery.

As a prerequisite for the introduction of an outcome focused approach, government should invest in outcomes-based data systems and resource NFPs to use and engage with those systems effectively. Most government systems are outputs focused and the NFP sector does not generally have the data system to measure client outcomes over the long-term. Government needs to fund NFPs, through their relevant sector peaks, to develop and implement outcomes measurement systems.

Organisations will need resourcing for data analysts and enabling functions according to the size and scale of their program delivery. Training and resources will be required to support staff, both paid and volunteers, to use and engage with the data effectively, including how to discuss outcomes with clients as a therapeutic tool to support self-reflection and development.

Government should also feedback data to the NFP sector, including sector benchmarks, along with ways that organisations could use the information to improve their programs and services.

**Recommendation:**

To support NFPs become data capable and informed by evidence government should invest in:

- Consistent data sets and common platforms across government health and social service agencies and the NFP sector.
- IT systems for NFPs to track and report on outcomes.
- Staff education and training in outcomes measurement and reporting.

## 3.2. Philanthropy and Volunteering

### *Philanthropy - policy, regulation and mobilising resources*

The Society acknowledges the importance of philanthropy and giving to enhance the capacity of NFPs to deliver positive outcomes for clients and communities. The Blueprint should recognise philanthropic funds and donations as a means to extend and enhance NFP programs and services to drive innovation and better outcomes, rather than supplement underfunding of essential health and social services.

In FY22-23 the Society received around \$24 million through regular appeals, events, corporate partnerships, major donors, bequests and community fundraising. Thanks to the generosity of our philanthropists, partners and donors we are able to extend special projects and deliver innovative programs, such as the Vinnies NSW First Nations Traineeship and Development program to increase First Nations employment and leadership. We also use these funds to respond to crisis, including natural disasters and the escalating cost-of-living.

However, increasingly the Society's fundraising is used to plug the gaps in government funding for critical programs and services, such as the shortfall in DSS Financial Crisis and Material Aid – Emergency Relief. This is discussed further in section 3.11 below. Using our fundraising revenue to supplement our core work limits the Society's capacity to innovate, to stand-up in response to disasters, and to deliver more effective services to support client and community wellbeing.

The Society refers to Philanthropy Australia's [A Blueprint to Grow Structured Giving](#) and we support its recommendations to protect the foundations of philanthropy, enhance the building blocks of giving, and target specific opportunities with high potential to grow structured giving.

In particular, the Society reiterates the need to maintain uncapped tax deductions (Philanthropy Australia Blueprint, Protect, Initiative 2) as an important incentive for larger scale giving upon which many NFPs, including the Society, relies upon to fund our good works. We also note the opportunity for government to foster the growth of place-based giving and unlock High Net Worth Individuals through government matched fundraising (Philanthropy Australia Blueprint, Target, Initiative 5).

**Recommendation:**

To increase giving to charities, government should:

- Consider Philanthropy Australia’s recommendations in its, [A Blueprint to Grow Structured Giving](#), in particular the need to maintain uncapped tax deductions and the potential to foster the growth of place-based giving through government matched fundraising.

### *Volunteering*

The Society has a volunteer workforce of 11,500 people across the state. This workforce is comprised of more than 3,900 members who voluntarily serve people in need in local communities, 5,000 volunteers who help raise vital funds for our services and programs through our network of Vinnies Shops, and more than 2,500 additional volunteers support our good works across other functions, such as preparing and serving meals on our food vans and at our services.

The Society’s experience is that the nature of volunteering is changing. People’s engagement with organisations is becoming more periodic and spread across several organisations. Currently volunteers must get compliance checks completed for each organisation they volunteer at. This involves cost to both the volunteer in terms of their time and also to the organisation for the financial cost of the check.

Government can remove barriers to volunteering and make it easier for people to get compliance checks by making checks portable across organisations. Government should also fund the cost for mandatory compliance requirements like the National Police Certificate.

As with philanthropic funding, it is important that the NFP Blueprint recognises volunteers as a resource to enhance the NFP service sector, rather than to fill gaps in service system due to funding limitations. Relying on volunteers in place of professional specialist staff can have adverse impacts on service quality and client outcomes.

**Recommendation:**

To increase support safe, inclusive, accessible and meaningful volunteering, government should:

- Make mandatory compliance checks portable across organisations.
- Waive the cost to organisations for mandatory volunteer compliance checks, like the National Police Certificate.

### 3.3. Government Funding, Contracting and Tendering

*How should government improve the way it funds and contracts charities?*

#### **Adequate funding for the full and true cost of service delivery**

Government can improve the way it funds charities by providing adequate funding for the full and true cost of service delivery to ensure a strong and sustainable NFP sector. Government is responsible for funding essential social services, which are delivered by NFPs. Chronic underfunding impacts the viability and diversity of the NFP sector, curtails innovation, and ultimately undermines the attainment of improved wellbeing outcomes for clients and communities.

Government program funding must be determined by an evidence-informed understanding of program-wide and local population need. Many government programs at both Commonwealth and State levels have been successively rolled over for many years without any increase in base funding to reflect growth or changes in community needs.

For instance, the DSS Financial Crisis and Material Aid – Emergency Relief program has not been re-tendered since 2018 with no systematic review of community need or funding despite the escalating cost of living. Due to the enormous increase in demand for emergency assistance, the Society disbursed the full FY23-24 program budget allocation in just the first two months of this financial year and is now cross-subsidising assistance from its own funds. This continued under-funding in the face of increasing community needs impacts the Society’s sustainability and our potential social impact.

The Commonwealth Government must look at how much the NFP sector is underfunded to meet people’s immediate needs. If the government wants to achieve equitable wellbeing outcomes for communities, it should provide funding based on evidence about the location and quantum of community need.

#### **Recommendation:**

Government should improve the way it funds and contracts NFPs by:

- Allocating program funding based on evidence about local population needs and the quantum and spread of current service provision, to better align charities’ grants to adequately respond to local communities.

#### **Indirect service costs**

In addition to a lack of core funding to meet community need, far too often government does not fund indirect service costs that are required for quality service provision, such as training, planning, grant preparation and acquittal, evaluation and property maintenance. Many of the Society’s DSS funded programs do not fully cover administrative and management overheads, which DSS identifies as discretionary activities instead of core enabling services.

For instance, the Society does not receive any administrative or overhead funding under the DSS Financial Crisis and Material Aid – Emergency Relief program, with 100% of funding allocated to client support. Furthermore, the Society does not receive any direct funding for the 375 physical sites across NSW where we deliver our funded programs.

Another example is the significant staff time involved with the preparation of funding bids, such as the forthcoming Housing Australia Future Fund (HAFF) tender. Based on the Society’s experience, each submission will likely involve more than 200 hours of staff time, along with additional costs for land assessments at \$50,000 to \$100,000 per report. However, government does not fund charities for business development work and organisations bear the risk that project bids will be unsuccessful and they cannot recoup their costs.

The Society's experiences are reflected in the broader experiences of the NFP sector as documented by the Australian Council of Social Service (ACOSS)<sup>2</sup> in their 2021 survey of the community sector which identified, '...the administration, management and infrastructure necessary for efficient, reliable and sustainable service delivery are frequently not allowed as costs in funding contracts.'<sup>3</sup>

NFP grant funding should also be regularly reviewed and indexed to account for rising costs associated with inflation and wage growth. The Society's experience is that Commonwealth funded programs are not adequately indexed nor adjusted relative to inflation and wages growth. The Society's SETS program grant recently received a one-off adjustment of 1% for wages, which was well short of the award increases and does not include inflation. This long-term and compounding underfunding makes it difficult for services to maintain existing service provision levels, to recruit and retain staff, and to plan and invest in the future capacity of the organisation.

The Society's experience with government grant indexation and the ensuing impact of inadequate funding on service provision is shared across the community sector. ACOSS 2023 community sector survey found, "As government did not fully cover the increases in costs faced by organisations, some needed to reduce staff or staff hours, or cut back on service delivery... funding had not kept pace with increases in wages and rising cost of service delivery...".<sup>4</sup>

#### **Recommendation:**

Government should improve the way it funds and contracts NFPs by:

- Funding charities' administrative and overhead costs, including management costs, planning, research, grant preparation and acquittal, capital infrastructure component and insurance cover.
- Providing business development funding so organisations can buy-in consultancy or fund the cost of developing significant tender submissions.

#### **Grant funding indexation**

The Society supports ACOSS' recommendations for a transparent, systemic and consistent approach to indexation across all government-funded human services that reflects the actual increase in costs incurred by NFPs. The South Australian government's approach to indexation serves as a model for the Commonwealth and other jurisdictions.<sup>5</sup>

We also support ACOSS' recommendation that the government guarantee necessary funding for pay decisions made by the Fair Work Commission affecting the community sector.<sup>6</sup> Many NFPs, such as the Specialist Homelessness Services (SHS) sector, have repeatedly experienced funding uncertainty and instability due to the lack of on-going secure funding for the ERO component of their staff costs. Short-term funding commitments by government at the eleventh hour repeat an ongoing cycle of insecurity and lead to inefficiency as organisations divert time and resources to making the case for continued ERO funding, while also having to make contingency plans for reduced funding.

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<sup>2</sup> Blaxland, M and Cortis, N (2021) *Valuing Australia's community sector: Better contracting for capacity, sustainability and impact*. Sydney: ACOSS, [https://www.acoss.org.au/wp-content/uploads/2021/06/ACSS-2021\\_better-contracting-report.pdf](https://www.acoss.org.au/wp-content/uploads/2021/06/ACSS-2021_better-contracting-report.pdf)

<sup>3</sup> Blaxland, M and Cortis, N (2021) *Valuing Australia's community sector: Better contracting for capacity, sustainability and impact*. Sydney: ACOSS, [https://www.acoss.org.au/wp-content/uploads/2021/06/ACSS-2021\\_better-contracting-report.pdf](https://www.acoss.org.au/wp-content/uploads/2021/06/ACSS-2021_better-contracting-report.pdf)

<sup>4</sup> Australian Council of Social Service (2023) *At the precipice: Australia's community sector through the cost of living crisis*, <https://www.acoss.org.au/acss-april-2023/>

<sup>5</sup> Department of Treasury and Finance, *Indexation*, webpage, Government of South Australia, <https://www.treasury.sa.gov.au/OurServices/not-for-profit-sector-funding-and-contracting/indexation>.

<sup>6</sup> Australian Council of Social Service (2023) *At the precipice: Australia's community sector through the cost of living crisis*, <https://www.acoss.org.au/acss-april-2023/>

Funding consistent indexation that keeps pace with the rising costs of running an organisation will provide greater certainty to NFPs, support the more efficient delivery of programs and services each year, and deliver greater stability for people working in the sector. Most importantly, adequate, transparent and consistent indexation will enable NFPs to better provide vital services to those most in need.

**Recommendation:**

Government should improve the way it funds and contracts NFPs by:

- Implementing equitable, systemic and transparent indexation to all NFP grants and contracts that reflects the actual increase in costs incurred by funded organisations.
- Providing ongoing, secure funding Fair Work Commission determinations.

**Longer-term funding to provide greater security**

The Society supports longer grant agreements of five years or more to facilitate longer-term planning and service innovation, reduce the costs associated with frequent re-tendering processes, and provide more certainty and stability to the sector.

However, longer-term grants should be accompanied by fair and reasonable funding over the life of the contract that is proportionate to the increased risk borne by NFPs. Longer grant agreements should include provision for a periodic review of grant indexation to account for changes in inflation, wages growth, and other service delivery costs.

**Recommendation:**

Government should improve the way it funds and contracts NFPs by:

- Implementing longer grant periods, of at least five years, with provision for periodic funding reviews built-in to ensure NFP funding remains fair and reasonable over the course of the grant.

**Flexible funding to respond to changing community needs and crisis**

NFPs need flexible funding so they can pivot to meet immediate community needs in the face of a crisis or emergency, such as a natural disaster, and so they can re-purpose funding towards more effective and innovative programs in response to changing community characteristics or new evidence about service models.

Current funding approaches do not permit NFPs to re-purpose and re-align their funding to more effective, evidence-based services or to meet the changing environment and needs of the community during a funding period. For instance, the Society's North Coast Settlement Service has provided unfunded support for several years to meet the needs of an emerging client cohort that was not included in the original funding agreement.

This flexibility could be achieved for some programs by commissioning for outcomes based on a performance framework, rather than funding prescribed service activities. Opportunities to review and re-negotiate grant agreements also need to be built-in to accommodate emerging needs and innovate service models. This flexibility would provide organisations with the ability to spend grant funds according to client needs and demand to achieve better outcomes.

In addition, funding flexibility would also allow NFPs to roll-over grant funds from one financial year to the next without funds being assumed by the government. Rolling-over funds would enable NFPs to deliver more effective client outcomes based on need, rather than incentivising organisations to expend any budget underspend without clear long-term benefits to clients.

**Recommendation:**

Government should improve the way it funds and contracts NFPs by:

- Providing greater flexibility within grant agreements for NFPs to respond to emerging or changing population cohorts, within the context of the program's objectives.
- Including provision for NFPs to roll-over unspent program funds at the end of each financial year.

*How could government funding, tendering and contracting drive a good balance of collaboration and competition to support innovation in the NFP sector?*

The Society welcomes the Issues paper's recognition of the need to achieve a better balance between competition and collaboration in how the government procures and funds NFP services. The current approach is heavily orientated towards competitive tendering models. Several inquiries<sup>7</sup> and sector reports<sup>8</sup> have highlighted the negative consequences for NFPs of these competitive approaches and that they do not necessarily lead to better community outcomes.

To promote collaboration within sectors, government can act as a convenor between NFPs doing the same and like things where it manages multiple NFP contracts on an issue. Government agencies can play a relationship brokerage role by identifying organisations who are doing things well and achieving good client outcomes, and connecting them with other organisations.

As government moves towards commissioning for outcomes, it will also become increasingly necessary to drive whole of system collaboration to facilitate person-centred, holistic support to achieve the desired client and community outcomes. This will involve collaboration beyond NFPs working in the same sector, and to include NFPs and government agencies across multiple sectors.

As part of the implementation of any new approach to funding, procurement and contracting services, government should allow adequate time for the sector to adapt and transition where necessary. Previous parliamentary inquiries into community services funding models have heard that DSS truncated tender timeframes were inconsistent with the intended reform objectives and impeded both innovation and collaboration.<sup>9</sup> Developing partnerships for collaboration is a long-term process. Government must factor the time and resources needed for organisations to build trust and effective working relationships to underpin effective collaboration or consortia type models.

Government should also design the funding and contracting system to incentivise and reward collaboration rather than the current model which promotes and rewards competition. The Society has recently tried to engage with another service provider in a particular sector to explore joint funding proposals. Although we work with clients at different stages of their journey and could complement each other, the organisation is unwilling to engage as it fears competition and loss of funding. Building in incentives and rewarding collaboration could overcome these barriers and drive better outcomes for clients and communities.

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<sup>7</sup> Senate Community Affairs References Committee (2015) *Impact on service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services – Final Report*, Commonwealth of Australia.

<sup>8</sup> Blaxland, M and Cortis, N (2021) *Valuing Australia's community sector: Better contracting for capacity, sustainability and impact*. Sydney: ACOSS

<sup>9</sup> Senate Community Affairs References Committee (2015) *Impact on service quality, efficiency and sustainability of recent Commonwealth community service tendering processes by the Department of Social Services – Final Report*, Commonwealth of Australia.

**Recommendation:**

Government should improve the way it funds and contracts NFPs by:

- Brokering relationships between organisations working to achieve common outcomes in a location or area.
- Allowing adequate time for the NFP sector to prepare and adapt for any new funding, procurement and contracting models, particularly models underpinned by relationships and collaboration.
- Designing funding, procurement and contracting models that incentivise and reward collaboration.

## 4. Conclusion

The Society thanks the Australian Government for the opportunity to input to the development of the Not-for-Profit Sector Development Blueprint. The NFP sector makes a significant contribution to the health and wellbeing of the Australian community, in particular to improving outcomes for people experiencing poverty and disadvantage. This contribution must be supported and strengthened through adequate, long-term and flexible funding to NFPs that rewards and incentivises collaboration to deliver more holistic, long-term outcomes for people and communities.

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## 5. About the St Vincent de Paul Society in NSW

In 1833 in Paris, 20-year-old student Frederic Ozanam resolved to do what he could to bear witness to his Christian upbringing by assisting those less fortunate in the community. Together with a group of friends, he sought the advice of Sr Rosalie Rendu, who guided their approach towards one that affirms the dignity of each human being and invites a deep relationship of solidarity.

Declaring that no form of charity would be foreign to their work, the first 'Conference of Charity' has since grown into a worldwide movement that continues to seek out and address poverty in all its forms.

In NSW, the Society was established over 140 years ago. It now has over 3,900 members who offer material and financial assistance to people in their communities as well as companionship and social support. Members of the Society visit people who need help in their homes, refer those at risk to our services, where we offer case management, support services, and make referrals to other agencies to help keep people at home. Specialist responses are provided for women and children wishing to leave family and domestic violence while retaining existing housing.

Professional services have been established in response to the needs of people at risk of or experiencing homelessness, people with disability, people seeking support in relation to alcohol and other drug use, and people experiencing other forms of exclusion. In 2022-2023, our 26 housing and homelessness services supported more than 9,000 people, a 5% increase on the previous year. Overall, we provided \$13.7 million of assistance in NSW, a 60% on the previous financial year.

Through our community housing provider, Amélie Housing, we provide social and affordable housing with tailored support to meet the needs of the growing number of people locked out of the private rental market. Amélie Housing manages approximately 1,400 dwellings in NSW.

We are inspired to create a more just and compassionate society and to offer a 'hand-up' to people experiencing the most disadvantage. We respect their dignity and encourage them to take control of their own destiny.