



Strengthening Non-Government Organisations Report

Executive Summary
August 2005



Queensland Government
Department of **Communities**
Disability Services Queensland

Foreword



The Queensland Government has embarked on a crucial project to provide practical support to non-government organisations that deliver vital community services to Queenslanders.

The *Strengthening Non-Government Organisations Report* includes the reference group's findings and a set of recommendations. These recommendations will enhance the relationship between the government and the sector and provide it with the practical support it needs. This Executive Summary provides an overview of the report.

In partnership with the community services sector, our aim is to ensure that people continue to receive high-quality services in areas such as family support, homelessness services and support for people with a disability.

In July 2004, I appointed Kerry Shine MP, Member for Toowoomba North, to lead the project. Mr Shine and a community reference group have worked, over the past 12 months, with staff from the Department of Communities and Disability Services Queensland to shape the direction of the project.

I would like to thank the following people who participated on the reference group and played a key role in getting this important project off the ground:

- Susan Collins and Valmai Rose, Australian Council for Rehabilitation of Disabled
- Professor Myles McGregor-Lowndes and Associate Professor Christine Ryan, Faculty of Business, Queensland University of Technology
- Jeff Cheverton and Kingsley Bedwell, Queensland Alliance
- Tina Lathouras, Community Centres and Family Support Network
- Karyn Walsh, Queensland Council of Social Service
- Wendy Williams, Combined Churches
- Carol Marsden, Peakcare
- Diane Morgan, Volunteering Queensland.

The Queensland Government, in a partnership with peak bodies led by the Queensland Council of Social Service, is embarking on a program to highlight the Strengthening Non-Government Organisations project to community groups across Queensland.

While the broad project initiatives have been identified, the finer implementation details will be developed in partnership with the community services sector. To ensure that this project provides practical assistance, I urge organisations to get involved on this exciting journey.

A handwritten signature in black ink that reads "FWPitt".

The Honourable Warren Pitt, MP
Minister for Communities, Disability Services and Seniors

Executive Summary

Queensland's non-government organisations play a critical role in providing vital community services. A robust non-government sector grows community capacity.

The Strengthening Non-Government Organisations (NGOs) project aimed to find practical ways the portfolio could support non-government organisations funded by the Department of Communities and Disability Services Queensland. The report makes a set of recommendations, which will serve to enhance the relationship that exists between the portfolio and the non-government sector.

A vision for community services is one where:

- clients' needs are met holistically, effectively and efficiently
- the limited resources, including human resources, within the sector are supported in their work and encouraged to develop
- the interaction required with government and other service providers to enable effective service delivery is efficiently supported by the use of information and communication technology where appropriate
- clients can enter the service system through a number of channels and are assured that the service they get will be consistent and quality
- funded organisations are responsive, capable and sustainable
- service providers ensure that clients' needs are met and are able to effectively identify additional and relevant service providers for their clients and refer them on appropriately
- services are well connected and operate efficiently and effectively to provide appropriate access and packages of support to clients
- scarce resources, including funding dollars, paid staff and volunteers will be supported in administrative and other tasks promoting a greater focus on service delivery.

The range of barriers to this vision is well known and includes:

- the complexity of relationships across levels of government, between government and non-government organisations and across the non-government sector
- contemporary financial pressures, including the introduction of awards and rising insurance costs
- workforce development and volunteering pressures
- stronger corporate governance requirements in the public and private sector
- heightening emphasis on accountability within the public sector
- increasing complex client needs.

To achieve this vision, the portfolio departments need to work with the non-government sector to strengthen non-government organisations in Queensland by taking a balanced approach to dealing with the strengths and limitations of the sector.

There are four elements to this approach:

- basing relationships on clear expectations
- getting our own house in order
- making sure the sector has access to the tools and people it needs
- working collaboratively.

Underpinning these elements is the opportunity to leverage the resources and commonalities of human service delivery, both within government and the community sector, to the benefit of clients.

In the recent State Budget, the Beattie Government allocated \$24.3 million over four years towards implementing Strengthening NGOs initiatives. This money will be used to ensure the Strengthening NGOs project achieves its stated outcomes and contributes to achieving the overall Strengthening NGOs strategy.

Basing relationships on clear expectations

Strong and successful partnerships are based on agreed understanding of what is expected from each other. In recent years, both Disability Services Queensland and the Department of Communities have made significant headway in being more explicit about what is expected from the non-government sector. New service agreements introduced in both departments offer a clearer contractual basis and initiatives, such as the Queensland Disability Service Standards, provide a measurable set of indicators to determine performance.

This report proposes implementation of a new set of generic standards – Standards for Community Services – and considers legislative reforms to the current *Family Services Act 1987* as two measures to establish a clear basis for funding service delivery within the Department of Communities.

Standards for Community Service

Chapter 1 proposes implementation of a detailed and well developed set of Standards for Community Services across all program areas in the Department of Communities. These standards would complement those already in place in Disability Services Queensland.

The Standards for Community Services set out the minimum level of performance expected from funded organisations and provide a clear and verifiable basis for assessing services. The chapter also considers approaches to accreditation and the supports needed to put the standards in place, and outlines an implementation program.

Assessment against the standards will be facilitated through prior recognition for organisations that have already implemented quality systems.

The report proposes a risk-based approach to determining the form of accreditation to be used. The risk assessment would be based on the characteristics of the service being provided, the vulnerability of the client, and the extent to which the service is provided in an environment not subject to external scrutiny.

Approaches to accreditation would include self-assessment with desktop review by the department for medium-risk organisations, and self-assessment and external assessment for high-risk organisations.

The report identifies three approaches to carrying out external assessment:

- a new role for departmental staff
- establishing a purpose-designed agency or
- contracting from the existing market of auditors.

The report proposes several reasons for its recommendation that the department contract standards auditors to carry out assessments, including that this approach balances perceived fairness with cost effectiveness.

The report includes an option of conditional accreditation where there are minor compliance concerns. The need for an appeals process to resolve disputes over assessments is noted and further work is proposed for 2005 to advance this.

A range of supports for funded organisations is suggested, including:

- funding for regional learning circles
- initiating a grants program to support continuous improvement
- developing an extensive array of tools and resources to be provided through Queensland Communities Online
- establishing three support teams to assist organisations that need assistance in complying with the standards.

Accreditation under the Standards for Community Services demonstrates that the organisation is able to meet fundamental management requirements. The report proposes that this be recognised through the issuing of a certificate of accreditation and publishing accredited services' names and relevant details on the department's website.

Implementation will be a learning process for the department and the non-government organisations. Implementation will need to be carefully managed so that support and ownership are built within the sector and delays are avoided. The report proposes the Standards for Community Services be adopted for user testing and consultation with the sector regarding the standards to then occur. Organisations would then carry out self-assessment against the standards in the 12-month period following introduction, with external assessments beginning at the end of this 12-month period.

Community services legislation

Chapter 2 proposes reforms to the Department of Communities' legislative base. Just as Disability Services Queensland is reforming the *Disability Services Act 1992*, the report proposes that attention be given to the legislative basis for funding services within the Department of Communities.

The report recommends the introduction of a new *Community Services Act*. The magnitude of the policy change being proposed and the opportunity that new legislation would offer for engaging the community in building a broader understanding and constituency of support for the government's vision in this area, supports this direction.

This Act would be constructed along similar lines to the *Disability Services Act 1992* and offer a consistent and coherent legislative base for service delivery across the portfolio.

Getting our own house in order

Effective business systems

This report suggests an extensive work program to improve funding practice, including streamlining funding administration processes and exploring greater opportunities for automation. More efficient business systems in departments will translate into non-government organisations having to spend less time complying with red tape, allowing more time for service delivery. Disability Services Queensland is already well down this path with the development of the Disability Information System. The report proposes that the Department of Communities invests in similar system development to support the funding processes within the department and the interaction between the department and the non-government organisations.

Measures recommended in this chapter include:

- developing a map of need to be made available to service providers through a range of mechanisms, including Queensland Communities Online. The map of need would identify existing and required services on a regional basis
- prequalifying funded services linked to accreditation in the Department of Communities
- developing a funding information management system, preferably based on the Disability Information System being developed
- implementing an online funding application capacity
- developing a risk-based intervention schedule to guide the level of departmental oversight of funded organisations
- in conjunction with Smart Service Queensland and Queensland Health, developing a service finder and accompanying service provision planner to support clients' effective navigation through the service system. The service finder is to be available to clients and other service providers via Queensland Communities Online
- brokering Community Bookkeeper, financial management software incorporating the Queensland University of Technology's Standard Chart of Accounts, and making this product available to funded organisations
- developing an explicit monitoring program designed around the standards verification processes.

These reforms require upfront investments, but savings are significant over time. The report proposes that work continue in 2005 to develop more detail around these reforms, including cost-benefit analysis of the more significant changes.

Asset management

The report also looks into the portfolio's administration of the 100-plus properties owned by Disability Services Queensland and the Department Communities, but leased by non-government organisations.

The report recommends that future legislative arrangements for funding explicitly recognise assets as one of the ways the departments can support non-government service delivery.

Chapter 4 proposes a number of reforms which will help manage those assets more strategically and maximise service outcomes, including:

- creating a senior position — a Director of Strategic Asset Management — to provide strategic leadership across the portfolio's asset base. A priority task of this position would be to commission an independent audit of the portfolio's asset base
- developing a future asset management strategy guided by the following principles:
 - asset management decisions are integrated with strategic planning
 - asset planning decisions are based on an evaluation of alternatives which consider the lifecycle costs, benefits and risks of ownership
 - accountability is established for asset condition, use and performance
 - disposal decisions are based on analysis of the assets' overall performance in relation to service delivery
- developing an asset strategic plan to be regularly updated to complement the departmental strategic and operational plans
- requiring that any future procurement proposal be supported by a detailed business case developed with input from asset management, regional service delivery and program management areas
- developing a rolling asset maintenance budget
- developing an asset disposal plan to manage under-performing assets. This disposal plan will outline the:
 - justification, including consideration of alternatives
 - strategy for re-accommodating tenants if required
 - time frame and method (for example, use by other government departments)
 - anticipated proceeds with links to procurement business cases if the asset is to be replaced.

Finally, in preparing this report, the project received significant assistance from senior staff within the Department of Housing. These staff have signalled their willingness to continue to assist, and the report recommends exploration of mentoring relationships between senior asset management staff in the Department of Housing and staff in the portfolio.

Policy base for making funding decisions

Good policy requires explicit principles for guiding important administrative decisions. Chapter 5 proposes policy directions and draft tools to assist decision making around two issues of importance to the sector:

- why the departments choose to provide services themselves or elect to fund a non-government provider
- if funding a non-government provider, why the departments would choose one funding approach over another.

The report recommends that the portfolio adopt a new approach to purchasing and suggests further development of the tools developed by this project which seek to assist decisions about the choice of funding approach — competitive, negotiated or cooperative. Further development of this work needs to occur within the program areas of the departments in 2005.

Making sure the sector has access to the tools and people it needs

Successful service outcomes require a skilled workforce with access to the tools it needs to do the job. To better secure this for the sector the report proposes an investment in workforce development to grow the skills base of the sector, development of a website to act as a one-stop shop for resources and tools for the sector, and support for the development of client charters within the sector.

Workforce development

Community services is one of the fast growth industries of the twenty-first century, but there are legitimate concerns that workforce development will not keep pace with demand. Supporting a culture in the sector that promotes excellence in workforce development, particularly by embracing opportunities for skills development offered by vocational education and training (VET) and higher education systems, would help the sector to enhance its existing skill set, close any skill gaps and retain and grow the workforce as it moves into the future.

The report recommends building a closer working relationship between the community services sector and the VET system by entering into a four-year partnership with the Department of Employment and Training to enable 1,000 staff and volunteers access to relevant community services or business training opportunities.

Other initiatives in the report include:

- developing the Education Pathways for Community Services Careers Project to promote training and employment in this industry to young people through the Education and Training Reform for the Future initiative
- supporting management committees to access governance skill development opportunities
- undertaking discussions with institutes of higher education to identify opportunities for future strategic alliances

- developing HR Assist Online to help organisations to:
 - develop and maintain job descriptions (linked to competency standards)
 - use good recruitment practice, including checking qualifications, to manage conflicts of interest, and to comply with Blue Card requirements
 - implement mandated human resource management obligations, such as occupational health and safety requirements
 - document and manage grievances and complaints
- developing Training Assist Online to help funded organisations and individual staff and volunteers to:
 - identify required skills
 - determine those skills they already have
 - link to available training
- providing a seeding grant to a consortium of VET institutions and other relevant bodies to assist in the development of online learning for community services industry qualifications
- developing a Ministerial Awards program to foster a culture supportive of excellence in workforce development within funded organisations. This may be either as a new program or as new categories in existing programs.

Lastly, the portfolio itself delivers a range of training opportunities and some of these may be appropriately shared with non-government organisations. The report recommends further exploration of opportunities to invite non-government organisation staff to appropriate departmental training opportunities.

Online resources for community services

Recognising the geographically dispersed nature of Queensland, Chapter 7 sets out a vision for an interactive web portal that will offer a range of tools and resources to assist funded organisations, including:

- resources for administration and day-to-day management (for example, organisational governance and activities associated with operating a management committee or board in line with appropriate legislation, complying with other legislation and requirements)
- resources for financial management, including support for the Community Bookkeeper module
- human resource management tools, including the HR Assist and Training Assist tools discussed in the chapter on workforce development
- planning tools, including the map of need discussed in Chapter 3
- tools and resources to assist in service delivery and evaluation.

Over time, this online channel will become the basis for e-business with the sector through, for example, links to funding application packages or financial reporting to the department.

The use of Queensland Communities Online will not rely on hard copy distribution of material, but rather will ensure information is:

- consistently available to all non-government organisations throughout the state
- available when it is required
- available in a format that organisations can use
- current and reliable
- developed and revised interactively.

The report proposes that the launch of the dedicated web portal occur in 2005, with the initial content focusing on support for the standards. Additional content can be developed or sourced over time as the site gradually develops.

Client service charter

The Standards for Community Services offer an opportunity for the Department of Communities' funded organisations to consider whether they could improve their client focus. Chapter 8 of the report contains a draft tool to assist funded organisations to develop charters of client services. These charters would incorporate the necessary minimum standards prescribed in the Standards for Community Services and encourage organisations to add their own aspirational goals. A charter of client service will clearly explain to clients their rights and responsibilities, as well as how to have their say and to go about making a complaint.

As well as recommending the early release of a draft 'client service charter toolkit' — to be trialed when the standards are released for user testing — the report proposes that good examples of funded services' client charters be featured in the department's magazine, *Community Spirit*.

Work collaboratively

Non-government organisations cannot deliver services in isolation — being effective is likely to require the maintenance of effective working relationships between services, a range of government departments and potentially for-profit organisations. This section of the report explores several ways to establish closer working relationships by encouraging a greater use of shared services. The section also looks at opportunities to develop complaints systems to sit across the service system.

Shared services

Shared service is a well established approach to working together. The report suggests the non-government sector has probably been using the shared service model for many years; however, successful models are often difficult to replicate and past mistakes are not always learnt from. Critical success factors are proposed and the report recommends several strategies.

Major initiatives include:

- continuing promotion of the shared service model as a mechanism for achieving better client services. This should involve discussions with peak agencies and other interested groups in an effort to promote champions for shared services within the sector. Allied with this is the need to capture opportunities for showcasing good practice in shared services — whether it be documenting and promoting case studies or supporting information sharing by visiting experts in the field
- developing a number of multi-tenant centres across Queensland. Multi-tenant centres typically accommodate a larger number of community services providers. While heavy subsidies may be needed to establish these centres, most tenants should over time move to pay an affordable, but where possible, close to, market rent. It will be important to attract and retain potential tenants for their interest in pursuing opportunities for sharing and collaborating
- developing a Building Links funding program to provide one-off grants that assist funded organisations to:
 - establish or expand shared corporate services for non-government organisations
 - promote services integration
 - implement partnership schemes
 - develop and implement new service models incorporating shared infrastructure (for example, shared information and communication technology and shared corporate services)
 - develop local infrastructure (for example, information systems, protocols or business systems) to help improve the capacity of groups of non-government organisations to work together cooperatively
- developing practical resources to promote local initiatives, including exploration of online ‘volunteer matching’ and ‘corporate partnership’ initiatives and collation and publication of regional data on potential shared service providers and users through Queensland Communities Online
- holding discussions with relevant academic institutions and other similar stakeholders to identify options for ongoing research in this area given the identified lack of discussion or evidence in this field.

Complaints

Chapter 10 suggests that if we are working smarter together, then we need to be smart about finding out if clients of the service system are satisfied or if they have complaints. Several of the mechanisms put forward elsewhere in this report will assist non-government organisations to manage complaints at the level of their own organisation. The Standards for Community Services contain a complaints standard and Queensland Communities Online will be able to provide a range of resource materials. Disability Services Queensland has in place complaints management processes to manage both internal complaints and complaints about funded services. Its processes are constantly being improved and will soon be deployed in the Department of Communities.

The report recommends a community services complaints hotline to be further developed with Smart Service Queensland. This hotline would service complaints from clients of funded services — those funded by both Disability Services Queensland and the Department of Communities — and provide advice and referral as needed. Not only will this be an accessible and valuable service to consumers, it will begin to generate an evidence base for future policy work.

Indigenous service delivery

The brief given to the Strengthening Non-Government Organisations Project was to build an overarching framework to support non-government service delivery across Queensland; however, it is critical to develop measures to assist Indigenous service delivery. Chapter 11 suggests strategies to support the implementation of the Strengthening Non-Government Organisations reform agenda in Indigenous organisations. This will include refining the tools and processes being developed to ensure they meet the needs of Indigenous service providers. Areas for particular attention include the Standards for Community Services and provision of resources and tools through Queensland Communities Online.

The report also recognises the need to identify and further develop strategies to support Indigenous service provision. This involves tapping into knowledge and solutions at three levels:

- locally and regionally: funded organisations, departmental staff and regional networks (for example, the Regional Managers Coordination Networks and the proposed Regional Learning Circles)
- across the portfolio: establishing systems for sharing information and developing additional tools and resources to meet the needs of Indigenous service provider organisations
- at the broadest level: linking in to other related initiatives, such as the Community Governance Improvement Strategy, Government Champions and the Aboriginal and Torres Strait Islander Community Capacity Building Program.

This work will require focused engagement with Indigenous service providers, departmental staff and other Indigenous groups. The report proposes a small team be created within the Strengthening Non-Government Organisations project to support implementation.

Next steps

The final chapter of the report identifies potential areas for further policy development, including skill development for service coordinators, linkages with local government, use of incentives for exemplar organisations, mentoring programs for the sector, analysis of the role of peak agencies, asset management by non-government organisations, and further development of supports for collaborative practices.

Summary

The strategies outlined in this report provide the basis for a major program of strengthening non-government organisations, with scope to customise initiatives for Indigenous service delivery. The proposed standards and legislative reforms establish a verifiable basis for communicating the government's expectations for the funding provided to non-government organisations. Implementation of the standards will support improved service delivery and help to identify struggling organisations.

These organisations will be assisted to put in place the necessary measures to improve their performance. Developing greater capacity for shared services across the sector will support these directions and promote opportunities for improving the effectiveness and/or efficiency of the service system.

Improvements to the departments' systems and practices and provision of the necessary supports and resources to the sector will together provide the infrastructure needed for these reforms. Much of this work hinges on making better use of existing infrastructure (for example, the VET system, Smart Service Queensland, skills of the Department of Housing) and, where possible, is to be delivered in an online environment allowing resources to be available when and where they are needed.

Finally, moves to manage complaints locally and at the systems level will improve client service delivery and improve our understanding of and ability to respond to clients' experiences of the service system.