

November 2008



Review of Tasmanian DHHS-Funded Peak Bodies

**Office for the Community Sector
Department of Health and Human Services**

Review of Tasmanian DHHS-Funded Peak Bodies and the Development of a Peak Body Strategic Framework

Authors:

Michelle Strickland
Kym Goodes

Acknowledgements

Throughout the consultancy a large number of individuals from the Department of Health and Human Services, peak bodies and other community sector organisations contributed their knowledge, understanding and opinions through face-to-face interviews, written feedback and telephone conversations. They are too numerous to mention here individually, however their input was essential and they contributed significantly to the shaping of the final report.

We are also immensely appreciative of the guidance and feedback provided by Professor David Adams during the consultancy. His willingness to share his extensive knowledge of national and international trends in community sector development, and to be a wise and thoughtful 'sounding board' during this project, is deeply appreciated.

Contents

Executive Summary.....	5
1. Recommendations	7
2. Background.....	9
3. Terms of Reference.....	10
4. Methodology.....	11
5. Current situation.....	15
6. National and international perspectives	17
6.1 <i>United Kingdom</i>	18
6.2 <i>New Zealand</i>	19
6.3 <i>Canada</i>	19
6.4 <i>Australia</i>	20
7. Definitions	26
7.1 <i>Defining a peak body</i>	26
7.2 <i>Defining advocacy</i>	27
7.3 <i>Representation</i>	28
7.4 <i>Roles and responsibilities of peak bodies</i>	28
7.5 <i>Defining research</i>	29
8. Proposed framework.....	32
8.1 <i>Industry and sector bodies</i>	32
8.2 <i>Other sector areas for consideration</i>	34
8.3 <i>Population based peaks</i>	34
9. Outcome statements and KPIs.....	37
10. Funding formula.....	39
10.1 <i>Service agreements</i>	39
10.2 <i>Approach to funding</i>	41
11. Change management strategy	43
11.1 <i>Implementation schedule</i>	45
11.2 <i>Communication strategy</i>	46
Bibliography.....	49
Attachment 1: Questions for peak body interviews.....	52

Executive Summary

The establishment of the Office for the Community Sector within the Department of Health and Human Services (DHHS) in April 2008 signalled the beginning of a more strategic and holistic approach to developing and managing community sector service provision in Tasmania. One of the first reviews to be undertaken by the Office for the Community Sector has been the “Review of Peak Bodies”, announced in August 2008. The purpose of the review was to consider the current status of DHHS funded peak bodies, and to develop a peak body strategic framework. In developing the framework we have considered the role and responsibilities of peak bodies, the number and type of peak bodies optimally required to be funded by DHHS, key performance indicators and funding considerations.

Currently DHHS funds a range of peak bodies in the community services sector across a range of sectors. The review has highlighted that current funding arrangements have evolved over time, and are based largely on historic arrangements in terms of the amount of funding provided and the outcomes sought from the funding. Representatives from community sector organisations and from DHHS welcomed the move to develop a more transparent and strategic approach to the provision of this funding.

The proposed Tasmanian peak body strategic framework is based on a two-tiered approach, with an industry-wide body supported by a range of sector specific peaks. This model supports one funded peak body for each sector of the community services industry, as well as one industry-wide peak body which provides an integrated, whole of industry perspective. The model proposes sector specific peak bodies are funded in the areas of mental health, housing, alcohol and drug, families and children, disability and consumers. Over time additional sectors may be identified and added as appropriate.

This proposed framework represents a significant change from the current, somewhat ad hoc arrangements. It will lead to changes in the existing peak body landscape in Tasmania, and will result in greater levels of accountability and transparency for all peak bodies receiving DHHS funding in the future. The most significant changes proposed are in the funding of two new sectors, namely families and children and consumers. Funding to a families and children peak body is aimed at achieving a more strategic, whole of sector approach to peak body representation in an area which is undergoing significant reform. In the areas of consumers, the review process highlighted the absence of funding in this area as a significant gap within existing peak body arrangements.

The recommendation to establish one funded peak body per sector is also a key change from existing arrangements. The intent of this is to ensure there is an appropriately resourced peak body able to fully represent each sector interests and to respond to policy issues with authority and rigour. This will result in a realignment of peak body funding within the disability sector.

The review highlights the need for greater clarity around performance expectations for peak body funding. It recommends performance indicators for peak body funding focus on participation in benchmarking, governance policies and procedures, representation, effective consultation and productive relationships. The enhanced accountability and performance outcome requirements in the report are supported by a recommended minimum investment of \$1,500,000 per annum in the Tasmanian peak body strategic framework to undertake core peak body functions.

As has been observed in many jurisdictions, both nationally and internationally, governments have used a major human services reform agenda as the catalyst to negotiate broad ranging reforms to their relationship with the community services sector and its peak bodies. The evidence from these reforms is that the benefits are far-reaching and pivotal in driving change such as enhanced sector capacity, greater clarity around performance and accountability and a reduction in transaction costs. It has been evident throughout this review that there is a desire from both government and the community services sector to establish a more strategic, collaborative and effective relationship which will contribute to better outcomes for service users and ultimately the broader community. This review provides the framework for this to commence.

1. Recommendations

- (i) That the Department of Health and Human Services (DHHS) adopt consistent defining characteristics of a peak body as the prerequisite for DHHS peak body funding. These should include the following:
 - a. membership base is predominantly organisations not individuals;
 - b. membership base is proportionate to the sector or industry being represented;
 - c. demonstrates effective mechanisms to represent members' views;
 - d. no direct service delivery to consumers;
 - e. demonstrates an effective state-wide coverage; and
 - f. demonstrates the capacity to provide input into policy, program and service development.
- (ii) That all future service agreement offers should be reliant upon meeting the defining characteristics of a peak body.
- (iii) That service agreements are negotiated based on the agreed core functions of:
 - a. policy development, advice and responses,
 - b. advocacy and representation,
 - c. information dissemination,
 - d. sector consultation and coordination, and
 - e. sector capacity building.
- (iv) That funding is applied based on funding for core functions applicable to each sector's representation, with non-core functions funded by negotiation on a project basis under separate service agreements. Both core and non-core service agreements should contain specific outcomes and KPIs including reporting requirements against same.
- (v) That the strategic framework for peak bodies adopts the model which is based on one industry-wide body and six sector-specific bodies (with the capacity for future expansion if required).
- (vi) That only one industry-wide organisation and one organisation per sector are funded as peak bodies.
- (vii) That the framework includes:

Industry wide peak body:

- TASSCOSS

Sub-sector peak bodies in:

- Housing
- Mental health
- Disability
- Families and children
- Consumers
- Alcohol and drug

- (viii) That in the sectors of consumers, families and children, and disability, where there is either no existing body or there are multiple bodies, DHHS conducts a public tendering process to determine the most appropriate organisation to undertake the role of peak body for that sector. Where there are multiple providers, incentives for partnerships and amalgamation should be explored.
- (ix) That industry research is funded through a collaborative multi-sector mechanism such as a Community Services Research Council, which would include non-government, government and academic representation. The Council would take overall responsibility for the identification of industry research priorities and projects and the allocation of funding for research in line with the agreed priorities.
- (x) The effectiveness of the proposed framework relies on developing collaborative and mutually respectful relationships between the key sector and government personnel. To this end, the development of a “compact” type agreement is recommended as an appropriate mechanism to ensure that outcomes are achieved.
- (xi) That the Office for the Community Sector explores in more detail the range of health-based areas, such as chronic disease, that could potentially be funded as peak bodies by DHHS.
- (xii) That the relationship between the Office for the Community Sector and the Department of Premier and Cabinet be more formally explored to scope how mutual arrangements might apply to peak bodies funded by both departments, and to ensure that areas such as aged care and youth (for instance) have funding representative of their relationship with DHHS.
- (xiii) That DHHS commit, in principle, to introducing an industry membership funding model, for implementation when the next three year service agreements for peak bodies expire in 2012. This model would see peak bodies funded, at least in part, through membership fees which would be costed into DHHS service agreements with service providers.

2. Background

In April 2008, the Department of Health and Human Services (DHHS) formed the Office for the Community Sector. One of the main objectives in forming the Office was to develop a more strategic and holistic approach to developing and managing service provision by community sector organisations.

In August 2008 the Office for the Community Sector announced that a review of peak body services would be undertaken. This review has been undertaken in the context of an environment of change and reform within the Department and, in an operational sense, it will contribute to these reforms and the mutual desire for a strong partnership approach across government and the community sector.

The community and not-for-profit sector plays a vital role in making our communities inclusive and ensuring Tasmanians, particularly those most marginalised, have access to services and support. Community organisations in Tasmania vary in size, services, geographical locations, governance and ethos. It is therefore vital this sector has strong representation, support and governance through its peak bodies.

Traditionally in Tasmania, a range of organisations has been funded by government to perform a number of functions and tasks that are broadly categorised as peak body functions. However, there is no consistency, formula or systemic approach or reporting process in the funding, monitoring or evaluation of the current funded organisations. Similarly, organisations that are loosely categorised as peak bodies by DHHS are performing a range of different and diverse roles ranging from traditional lobbying, advocacy and information dissemination through to direct service delivery to consumers. Memberships of the current group vary greatly, from large membership bases of organisations within a particular sector through to individual membership by consumers.

This review and the Terms of Reference applied are aimed at addressing this disparity and historical funding practices to ensure a vibrant, relevant and representative peak body group within Tasmania with a robust working relationship with government.

3. Terms of Reference

The terms of reference as outlined in the Request for Quotation included the following requirements.

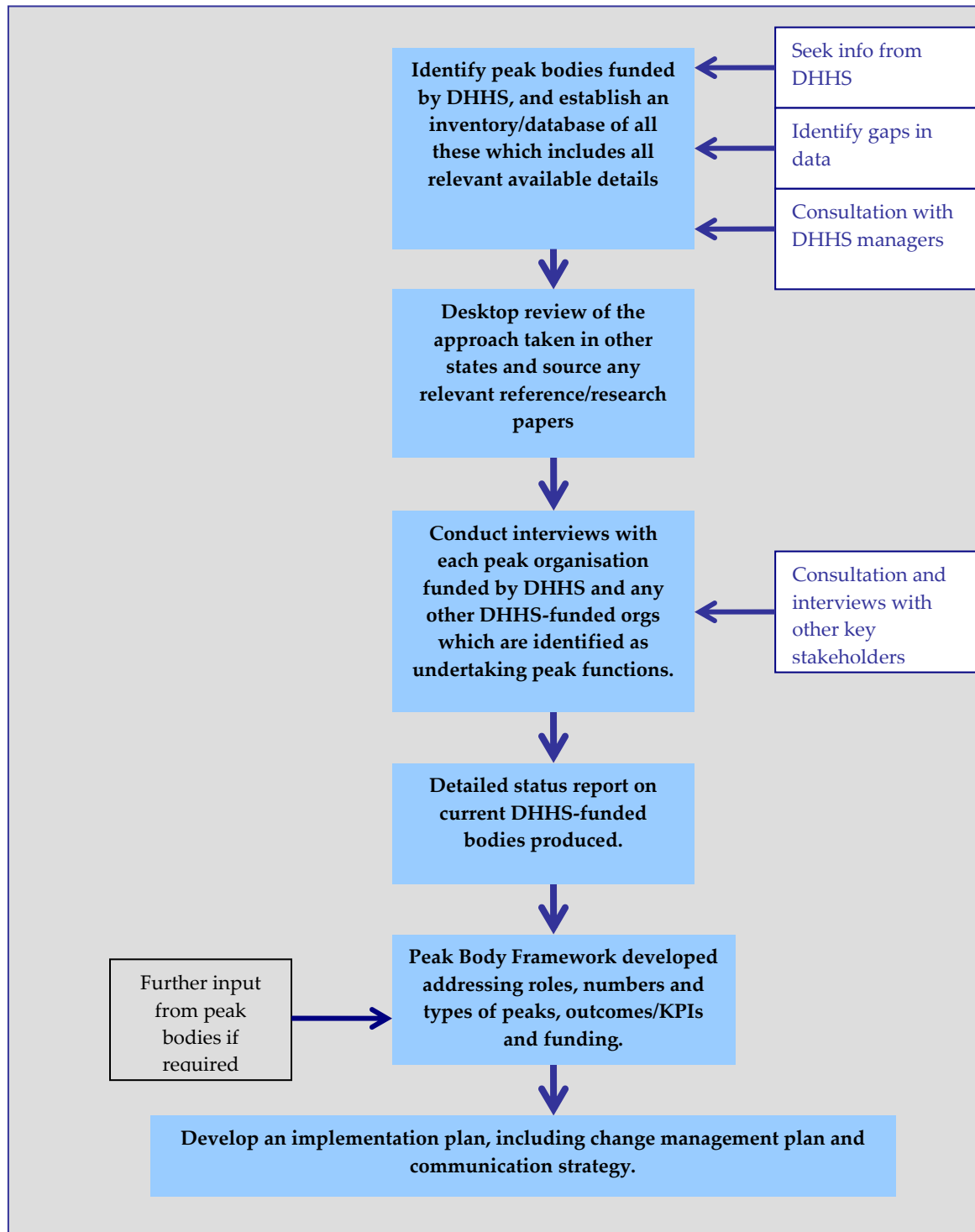
- Prepare a status report of DHHS funded peak bodies, which includes:
 - the number of DHHS funded peak bodies by type and location;
 - the number of DHHS funded organisations which undertake peak body roles or responsibilities;
 - the current funding allocation by organisation;
 - the current activities of those bodies included in the review and the KPIs related to that activity; and
 - the current membership numbers of DHHS funded organisations included in the review.

- Develop a Peak Body Strategic Framework, including:
 - the role and responsibilities of peak bodies;
 - the number and type of peak bodies optimally required to be funded by DHHS, taking account of a range of factors outlined in the RFQ;
 - developing outcomes statements and key performance indicators against roles and responsibilities for peak bodies; and
 - identify a funding formula to ensure consistency in allocations of budgets across peak bodies.

- Develop an implementation strategy for any agreed new framework which will include:
 - A change management strategy
 - A communication plan.

4. Methodology

Figure 4.1. Overview of methodology.



The preferred methodology for the review was largely derived from the outcomes described in the Request for Quotation. The methodology was designed to ensure the process enabled the best possible outcome in terms of engagement with the sector and the harnessing of sector support for the outcomes, as well as delivering on the funding review outcomes sought by DHHS.

Identify peak bodies funded by DHHS and establish a database of all relevant data

The first stage in this consultancy was to scope the range of peak organisations identified by the Office for the Community Sector. As outlined in the Request for Quotation, it was confirmed there were thirty-four in total, with some additional organisations which were not funded but may be considered as potentially requiring funding under the peak body framework. This included organisations which DHHS funds as service providers and which may also undertake some peak body functions. A separate spreadsheet containing a range of data relating to individual organisations has been provided to the Office for the Community Sector as a separate document.

Copies of existing service agreements for individual organisations were also scrutinised as part of this identification and scoping stage. These documents were provided by the Office for the Community Sector.

At this stage discussions with the relevant operational units within DHHS and the Office for the Community Sector were undertaken to ensure all existing data and documentation had been sourced and to identify if there were any gaps in the availability of relevant information and data.

Desktop review of the approach taken in other states and source any relevant research or reference papers produced

A review of literature and documentation available from other states and some international research, reference papers and/or models was undertaken; it is summarised later in the report.

Interviews with each DHHS-funded peak body and other relevant stakeholders such as service consumers, key workers, managers and DHHS staff

All relevant stakeholders were identified and invited to have input through various means. All currently-funded bodies were sent a letter inviting them to have input into the review. The twelve organisations identified by The Office for the Community Sector as funded peak bodies were contacted and individual appointments and interviews were undertaken.

The purpose of the visits and interviews with peak bodies was to:

- verify the data provided by DHHS and identify if there are any areas where existing data was disputed;
- fill any gaps in the existing data;
- determine the level of understanding and compliance by funded peak bodies with existing service agreements;
- identify the key issues identified by the peak bodies which were relevant to the review;
- understand the existing roles undertaken by peak bodies;
- understand how existing funded peak bodies measure their success and achievements; and
- understand how existing peak bodies approach accountability and transparency in terms of their representative role and their relationship with DHHS.

There are also groups and organisations which have an important stake in this review and its outcomes, and these were identified and the consultants met with them in order to gain their input into the review. These included a range of DHHS Unit Directors, some community sector organisations as well as consumer representatives.

Status report

Once the existing data and interviews were undertaken and information had been discussed with and verified by the peak bodies, the spreadsheet containing individual organisational details formed the status report and was provided to the Office for the Community Sector.

Development of a contemporary peak body framework

The development of the framework has been informed by the following:

- discussions, input and direction from the Office of the Community Sector DHHS-Funded Peak Body Review Steering Committee;
- existing service agreements between DHHS and funded peak bodies;
- best practice examples gathered from other states;
- insights gained from interviews with DHHS Unit Directors and key staff; and
- issues raised in interviews with existing funded peak bodies and other key stakeholders.

Drawing on these valuable sources, the consultants have developed and documented a contemporary peak body framework which addresses the issues identified in the Request for Quotation.

Develop an implementation plan, including change management strategy and communication plan

The development of the implementation plan to support the framework incorporates an initial communication plan in conjunction with a change management strategy. The implementation plan (titled change management strategy) and communication plan is based on the resources gathered and experiences of the consultancy team during the previous stages.

5. Current situation

Documentation supplied by the Office for the Community Sector for the review identified a total of thirty-four organisations that were classified, for contractual purposes, as organisations providing peak body, information and/or advocacy services. In total, the Department's investment in these thirty-four organisations is \$4,089,437 in 2008–09.

An examination of service agreements (for most but not all funded peak bodies), combined with discussions with a range of community sector organisations, reveals significant diversity in activities, membership, governance and target groups for provision of services (that is, organisational support services in some and provision of consumer support in others). In response to information about the review, many organisations did not describe themselves as peak bodies.

From these thirty-four organisations, the Department's classification identified twelve organisations which were funded specifically to provide peak body services. The Department's total investment in these twelve organisations was \$1,831,187 in 2008–09. This included project funding for some peak bodies undertaking activities to support reform processes. These organisations covered the following sectors:

- community sector industry generally (ie TASCOS),
- families and children,
- disability,
- mental health,
- alcohol and drug, and
- housing.

The organisations included in the list of twelve were:

- TASCOS
- Brain Injury Association of Tasmania
- Carers Association of Tasmania
- Family Support Services Association
- Foster Carers Association
- National Disability Services
- Mental Health Council of Tasmania
- Shelter
- Alcohol, Tobacco & other Drugs Council of Tasmania
- Tasmanian Association of Community Houses
- Tasmanian Pensioners Union
- Tasmanians with Disabilities

There are a number of population-based peak bodies which are not included on this list. These peak bodies include youth, women, aged and multi-cultural groups. The peak bodies relating to these sectors are funded by and based within the Department of Premier and Cabinet, and therefore consideration of their funding and functions are outside the scope of this review.

Under current service agreements examined as part of this review there is a general lack of rigour around accountability expectations in relation to performance and reporting requirements. There was also a lack of consistency around what peak body services were covered in service agreements, and what constituency organisations were funded to service. Similarly, we also noted a need to improve the level and rigour of monitoring and evaluation of funded organisations.

6. National and international perspectives

Across developing countries, umbrella organisations have emerged in response to a need for greater representation for particular sectors. This applies equally to the for-profit sector as it does within the community and not-for-profit sector. In the for-profit sector, these groups are generally known as industry groups. A local example would be an organisation like the Tasmanian Farmers and Graziers Association (TFGA), which acts as a peak body for the agricultural industry, or the Tasmanian Chamber of Commerce and Industry which derives its membership from small, medium and large businesses within Tasmania.

As noted by Edgar and the Australia Institute in the paper *Agree to Disagree*, peak bodies are not the only organisations that engage in advocacy, and many of their members undertake this role as individual organisations. For example, many non-government organisations (NGOs) undertake similar roles to peaks, even as members, and some are actually likely to be significantly larger than their relevant peak body. For example, both Oxfam Australia and the Salvation Army are larger than their respective peaks, the Australian Council for International Development and ACOSS. Moreover, not all NGOs have a peak body. For example, there is no peak environmental organisation in Australia. This can mean that large environmental organisations, such as the Australian Conservation Foundation, can become almost “quasi-peaks” in that they are likely to be approached by government for their views on environmental policy (Edgar & Australia Institute 2008, p. 7).

Over the past decade, there has been a growing trend to regulate relationships between government and community sector peak organisations through the establishment of more formal memorandums of understanding, reporting requirements and protocols. These are most commonly known as Compacts or Accords and have been emerging since about 2001.

Across jurisdictions, peak bodies as we know them, have a variety of terms and titles including umbrella organisations, intermediary bodies, peak bodies and/or partnerships. Australia is unique in the use of the term “peak body”. It is therefore difficult in the review of international and national perspectives undertaken as part of the methodology for this review to isolate the peak body arrangements and functions from the broader partnership arrangements that exist between the sector and government in terms of peak body functions. This is particularly relevant in terms of the compacts and/or accords that have been negotiated with many states in Australia and also internationally. Another major obstacle in comparing the situation of Australian peak organisations with similar

non-profit umbrella organisations overseas is the regional differences in defining the role and structure of these organisations (Melville & Perkins 2003 p. 7).

Across Australian states, the lead agency relationship between community sector peak bodies and government also varies greatly. In some states, where there is an explicit agency such as an “Office for Community Development”, this relationship generally sits with that office. In other states (including Tasmania), the role sits within either the Department of Health and Human Services, Human Services and/or Department of Premier and Cabinet.

In undertaking the literature review, a key area of note which was consistent across the literature and across jurisdictions, nationally and internationally, is the potential for tension between peak or umbrella organisations and government (Rawthorne & Shaver 2008, p. 5). It is important this potential is acknowledged by both government and peak bodies and is explicitly acknowledged within dialogue between the sectors. The development of compacts, such as that developed by the Queensland Government, deals directly with this issue and outlines how relationships can be appropriately managed to respect differing roles. The ability to manage issues that may arise as a result of the differing roles, perspectives and agendas of government and the community sector that peak bodies represent will ultimately provide for better outcomes for clients.

The following provides a brief overview of relevant initiatives in the United Kingdom, Canada, New Zealand and Australia.

6.1 United Kingdom

In Britain the term intermediary bodies is used to denote those organisations that “liaise between the voluntary and statutory sectors” (Lansley 1996, p. 169). After the election of the Labour Government in 1997, these intermediary bodies directly participated in policy development through systemic approaches with the policy process.

The formalisation of a partnership agreement regulating government–voluntary sector relationships, known as the Compact, was first initiated in Britain in the mid 1990s (Lyons 2001a, p. 1). This formed part of the broader reform that was being undertaken at that time by the British Government under Blair.

The Compact provide a framework for the partnership between government and voluntary sector organisations. In effect, it sets out the “rules of engagement” between government and the sector, to which both have agreed. These include an undertaking by government to consult early on policies which affect the sector, and the sector

undertaking to operate through open and accountable organisations, inclusive of all stakeholders and embracing diversity.

Following the negotiation of the Compact in Britain, similar agreements were reached in Scotland, Northern Ireland and Wales during 1998.

6.2 New Zealand

In New Zealand there has been a growing focus on the concerns of the community sector and its relationship to government. This has arisen, at least in part, from the increasing international interest and awareness in the “non-government” or “third sector”, led predominantly by the experiences in the United Kingdom and Canada.

Non-government organisations in New Zealand operate within a framework that relates to traditional charities and volunteer organisations. NZCOSS is the national umbrella organisation for local Councils of Social Services and other social service networks throughout New Zealand. Their main focus includes policy action, social change and community empowerment. The membership of the local councils of social service includes people in local government and people working locally for central government agencies, as well as people working for not-for-profit and voluntary social service organisations.

In 2001, the New Zealand government issued a Statement of Government Intentions for an Improved Government-Community Relationship. This formally indicated calls for “strong and respectful relationships between government and community, voluntary and iwi/Ma-ori organisations” (Government of New Zealand 2001).

6.3 Canada

Similar to the situation in Britain, government–community sector relations in Canada are governed by an Accord, which was formalised in 2001. Also in line with the development of the Compact in Britain, the Canadian Accord was negotiated with the sector during a period of policy reform; however, unlike the British model, the Canadian Accord negotiations were initiated with the government by the sector.

In the Canadian context, the commitments of government and the voluntary sector articulated in the Accord were consolidated through the development of a *Code of Good Practice on Policy Dialogue* (Government of Canada 2002).

6.4 Australia

The Australian not-for-profit sector – of which the community sector is a subset – comprises around 700 000 organisations (Lyons 2001, p. 17).

There has been a number of peak body reviews undertaken over the past two decades:

State reviews:

New South Wales	1991	
South Australia	1993	(Hamilton and Barwick)
Western Australia	1994	(Solomon)

Australian Government reviews:

HORSCCA	1991
Industry Commission	1995
DHFS	1997
DFACS	2000

(Cheverton 2005, p. 429)

Nationally, the Australian Council of Social Service (ACOSS) is the peak council of the community services and welfare sector. Through its network of national members, ACOSS links the sector by bringing together:

- eight state and territory Councils of Social Service which represent the front-line community agencies;
- national peak organisations of consumers and service providers;
- national religious and secular welfare agencies (including the Salvation Army, UnitingCare, Anglicare, Catholic Welfare and the Smith Family); and
- low income consumer groups such as the National Council for Single Mothers and their Children, and the People with Disabilities Australia.

National member organisations and state Councils of Social Service are also represented on the ACOSS Board. Other state and local organisations and individuals also support ACOSS's work by being Associate Members (ACOSS website).

ACOSS is currently consulting the sector and working with the Australian Government to develop new guidelines and principles to guide the relationship between the Australian Government and the not-for-profit sector. Similar to the compacts in the

United Kingdom and Canada, ACOSS believes a new compact in Australia is a significant opportunity to develop a collaborative approach to finding the right solutions to poverty and disadvantage.

6.4.1 Victoria

In Victoria, relationships between the community sector and Victorian government are overseen through the Department of Planning and Community Development; however, the Department of Human Services (DHS) also has a strong interest in the relationship.

Within DHS, the Secretary's Forum is a bi-annual meeting between peak bodies and the Department's senior management to discuss progress in partnering issues, plan future work and develop relationships between senior staff in the sector and DHS management. Indeed, the Department has developed a Human Services Partnership Agreement.

The Human Services Partnership Agreement was signed in 2002, and again in 2005, to engage the community sector with DHS. The Partnership Agreement 2005–2008 seeks to progress work on five partnership priority areas. These are:

- sector viability
- sustainability
- improved services around person and place
- creating a partnership culture
- shaping policies and priorities

Key achievements of the Human Services Partnership Agreements include the consultation and collaboration protocol and clearer negotiation arrangements on key issues around funding and service agreements.

Victorian Council of Social Service (VCOSS)

The relationship between the community sector and the Victorian Government has been carefully considered by VCOSS over recent months. Its 2008–09 budget submission to the Victorian Government indicates it supports developing a more systemic and regulated approach to the community sector–government relationship. In that budget submission it put forward the following proposal:

“To reform the relationship between the Government and the sector, VCOSS recommends steps be taken towards establishing two new bodies, an Office for the Third Sector, and a Third Sector Council, developed through partnering with the sector as it undertakes the exploratory work necessary to bring community service and other civil society networks together for common purpose.

An effective Office for the Third Sector within government would:

- provide a central source of research, policy advice, resource and support;
- coordinate regulatory requirements, accreditation and policy development across multiple agencies;
- support the development of, administer and regularly review the arrangements for working with the non-profit sector; and
- provide a “single entry point” for the community sector to government, where such a role would add value to both the sector and government.

Development of a common policy framework – or compact – across government to better structure relationships with non-government organisations is also an important priority. The development of such a compact would place organisations in a position to establish common ground and explore the opportunities of a Third Sector Council for developing common priorities, sharing issues and developing strategies together.” (VCOSS 2007)

6.4.2 Queensland

Queensland has established a Department of Communities and has been working with the community sector to implement a community sector strengthening strategy. The Strengthening Non-Government Organisations Strategy was launched in August 2005. The strategy comprises a range of collaborative initiatives between the Queensland Government and the community and disability sectors. These initiatives focus on building the capacity of funded NGOs to support enhanced service delivery.

This strategy is now underpinned by two separate pieces of legislation which were enacted in 2007 and 2008. The *Community Services Act 2007* and the *Community Services Regulation 2008* began operating on 31 March 2008. The Act and Regulation set out new laws about services funded by the Department of Communities.

The Strengthening Non-Government Organisations Strategy aims to:

- clarify the government’s expectations of funded NGOs;
- improve the government’s systems for administering funding and other resources for community and disability services;
- ensure NGOs have organisational tools and resources to help them operate effectively; and
- encourage sharing and collaboration between NGOs and stakeholders in the community and disability sectors.

There are nine key initiatives in the strategy:

- **Community Bookkeeper**
A streamlined accounting system enabling the Standard Chart of Accounts.
- **Online Acquittal Support Information System (OASIS) Grants Tool**
OASIS enables funded organisations to electronically update records, submit financial acquittals and performance information, and access reports online.
- **Funding Policy**
Policies and processes are being reviewed to determine the best methods for selecting service providers to deliver services with Department of Communities funding.
- ***Community Services Act 2007***
New community services legislation has been passed by the Queensland Parliament.
- **Community Door website**
An online portal providing information, tools and resources to assist NGOs.
- **Shared and Collaborative Arrangements**
Opportunities have been created for NGOs to form partnerships and share resources so they can build their capacity to provide services.
- **Standards for Community Services**
These standards outline the minimum expectations of NGOs providing services funded by the Department of Communities.
- **Strengthening Indigenous NGOs**
Organisational development support is being provided to Aboriginal and Torres Strait Islander-managed NGOs funded by the Department of Communities.
- **Workforce Development**
Through these initiatives opportunities have been created for NGOs to build the capacity of their staff, volunteers, management committees and boards.

Through this initiative, QCOSS has received one-off funding (consecutively over three years) to undertake sector development activities specifically to assist organisations funded by the Department of Communities to implement the “Standards for Community Services”. Aside from setting out the minimum requirements of NGOs providing services funded by Department of Communities, they also aim to promote continuous improvement and quality assurance, and through this build organisational capacity to continue providing services in the long term.

6.4.3 South Australia

The South Australian Government has negotiated the Common Ground partnership.

Common Ground is a partnership between three stakeholders which are seen as the critical partners required to improve health and wellbeing outcomes in South Australia:

- the Department of Health
- the Department for Families and Communities
- the Community Sector

The Common Ground partnership is designed to strategically develop opportunities to pool knowledge and resources, to identify issues, resolve problems and develop new approaches to improving health and wellbeing.

The success of the partnership will be judged by substantive outcomes in relation to a range of factors:

- The quality of the relationship between the parties. This includes the ability of the partnership to deal with robust differences and public debate about policy, service delivery and governance.
- Continuous improvement in policy development, governance, community and consumer participation and all areas of service development, planning, delivery and management.
- Collaboration on matters of mutual interest.

Peak body arrangements in South Australia

The South Australian Government explicitly acknowledges that peak bodies frequently bring substantial networks of policy expertise involving unions, consumers, academics and community groups. The government indicates that its Departments value this expertise, and it aims to provide peak bodies with sufficient funding to enable them to carry out their role in policy development.

To support discussion, debate and collaboration with the community sector it has established the Human Services Peaks Forum. However, the views of peak bodies are also sought individually and through other program-specific processes.

Shared principles

The Departments of Health and Families and Communities and the Community Sector have agreed to a set of shared principles which regulate their relationship.

- The Departments and the Community Sector are committed to involving consumers and the community in policy development, service planning and governance. They acknowledge that certain population groups, particularly Indigenous people, have special needs and may require specific decision-making and consultation strategies.
- They value integrity, transparency, accountability, honesty and leadership.
- An independent, diverse and vigorous community sector is essential to the wellbeing of society and democracy and therefore the community sector must represent the interests of South Australians through lobbying and, where appropriate, responsibly and impartially criticising the actions of the government, ministers and the departments.
- The community sector makes a major contribution to the health and wellbeing of South Australians through its expertise in policy and planning, financial, in-kind and voluntary workforce, service delivery and its broad networks of concern and expertise.
- They will maximise opportunities for collaboration and participation consistent with their accountabilities to their separate stakeholders. This includes a commitment to consulting in a manner that respects the different decision-making structures, processes and cultures of the South Australian Government and the community sector.
- The departments are required to ensure the accountability for the use of public funds is consistent with the objectives of government. This does not restrict the right of community sector peak bodies to criticise government.
- The departments and the community sector are committed to equality of opportunity for all people regardless of race, culture, age, disability, gender, sexual orientation or religion.

(SA Department for Families and Communities website)

7. Definitions

7.1 Defining a peak body

There has been lengthy consideration given to the question of what is a peak body by a range of organisations and academics. Community sector research indicates that organisations operating in this sector consider membership by other organisations and representation of members' views to be the common defining characteristics of a peak body (Melville & Perkins 2003, p. 88; Cheverton 2005, p. 429). Whilst the notion of representation is an important element in defining a peak body, it is not the sole defining characteristic of a peak body. Other characteristics including the types of activities undertaken, the nature of governance arrangements, the scale and scope of operations and capacity to provide thought and knowledge leadership on policy and service issues are all important in defining a peak body.

Melville's recommended definition of a peak body reinforces the importance of representation, yet goes further by suggesting how this lends legitimacy to the tasks undertaken by peak bodies.

A "peak body" is a non-government organisation whose membership consists of smaller organisations of allied interests. The peak body thus offers a strong voice for the specific community sector in the areas of lobbying government, community education and information sharing between member groups and interested parties.

(Melville & Perkins 2003, p. ix)

The 1995 Industry Commission report into Charitable Organisations in Australia deals extensively with the role of peak bodies, and formulates a comprehensive and functionally based definition of a peak body in the Australian context. This definition is referred to frequently in the literature pertaining to peak bodies, and appears to be widely accepted throughout the industry as encapsulating all that a peak body should be.

A peak council is a representative organisation that provides information dissemination services, membership support, coordination, advocacy and representation, and research and policy development services for its members and other interested parties. (...) The peak council role does not involve direct service delivery.

(Industry Commission Report 1995, p.181)

We therefore rely heavily on the definitions developed by Melville and the Industry Commission to provide the basis for the definition adopted for the strategic peak body framework. The starting point in developing the framework has been to define what we mean when we talk of a peak body, and to ensure there is general acceptance of what the term means within the community sector.

During the review process the views of a range of organisations were canvassed and the following characteristics are recommended as pre-conditions to being considered a peak body under the Tasmanian strategic framework.

Table 7.1. Peak body characteristics.

Defining Characteristics of a Peak Body	
Voting members are organisations with individuals under a separate membership category	✓
Membership base is proportionate to the sector or industry being represented	✓
Demonstrates effective mechanisms to represent members views	✓
No direct service delivery to consumers	✓
Demonstrates effective state-wide coverage	✓
Has input into policy, program and service development	✓

Recommendation: All peak bodies funded by DHHS must demonstrate their capacity to meet the defining characteristics of a peak body.

7.2 Defining advocacy

Advocacy is a much-used term when discussing peak bodies. Every organisation consulted during the review process highlighted advocacy as a central aspect of the work they undertake. As the context in which the term was used differed between organisations, it is important to clarify what we mean by the term within the context of the strategic framework for peak bodies. When we talk of advocacy being undertaken by peak bodies we refer it in the sense of systemic advocacy. That is, advocacy provided by associations with a specific interest, which represent the rights and interests of a **group** of people or organisations with similar concerns and issues. We do not use it in the sense of advocating on behalf of individual service users or consumers. Rather, we use the term advocacy to denote an active intervention by an organisation, on behalf of the interests it represents, that has the explicit goal of influencing public policy or the decisions of any institutional elite. (Onyx and Dalton 2004, p. 2)

7.3 Representation

Given the importance attached to representation within the peak body context, there are some important points to note in how the concept is applied. The most widespread meaning attached to “being representative” relates to a membership base. That is, peak bodies are considered to be more or less representative depending on the extent of their membership. Whilst the extent of membership has some legitimacy, the following factors demonstrate the limitations of relying entirely on membership to measure representativeness.

Firstly, the nature of many organisations delivering services within the community services and not-for-profit sector is such that they could be members of several peak bodies. Larger organisations which might deliver services across family support, disability and housing for instance, might feasibly be members of several peak bodies. Whether they choose to be a member of a relevant sub-sector peak body, or an industry wide Council of Social Service, or several peaks is a decision for each individual organisation.

The second important factor around membership relates to the scale and scope of the organisations making up the membership base of peak bodies. Understanding the extent to which any peak is representative based solely on its membership base would require an analysis of who makes up their membership. This is because there is a difference between members which are small, locally based organisations delivering services on a limited scale and larger organisations which deliver services to a greater number of clients on a state-wide basis. Therefore, relying solely on membership numbers has a more limited meaning in this circumstance.

To develop a more comprehensive picture of representation in peak bodies it might also be necessary to consider factors in addition to membership. Such factors could include the extent of member and stakeholder input to policy and participation in effective and productive networks.

7.4 Roles and responsibilities of peak bodies

Given the diversity of the community services sector, and its various sub-sectors (for instance housing, mental health, disability), the roles and responsibilities of the various peak bodies within it vary quite significantly. To deal with these differences, we propose that the roles and responsibilities are categorised as either core or non-core. Whilst all peak bodies would take on the core roles and responsibilities, this would allow flexibility in terms of scope, scale and diversity of function around a number of non-core roles and responsibilities. We also propose that the research role for the sector is dealt

with separately, under special industry-wide governance arrangements which are discussed below.

The roles and responsibilities identified as being relevant and appropriate to be undertaken by peak bodies includes the following:

Table 7.2. Peak body responsibilities.

Role	Core	Non-Core	Separate Arrangement
Research			✓
Policy Development, Advice and Responses	✓		
Advocacy and Representation	✓		
Information Dissemination	✓		
Sector Consultation and Coordination	✓		
Sector Capacity Building		✓	
Community Education		✓	

7.5 Defining research

Given the interest in, and importance attached to, research in relation to the community services industry, it is important to be clear on what activity the term research refers to. For the purposes of this review we have adopted the definition in the Higher Education Research Data Collection specifications. This definition notes that research comprises:

- creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications;
- any activity classified as research which is characterised by originality; it should have investigation as a primary objective and should have the potential to produce results that are sufficiently general for humanity's stock of knowledge (theoretical and/or practical) to be recognisably increased. Most higher education research work would qualify as research; and
- pure basic research, strategic basic research, applied research and experimental development.

Activities that do not support research must be excluded, such as:

- preparation for teaching;

- scientific and technical information services;
- general purpose or routine data collection;
- standardisation and routine testing;
- feasibility studies (except into research and experimental development projects);
- specialised routine medical care;
- commercial, legal and administrative aspects of patenting, copyright or licensing activities; and
- routine computer programming, systems work or software maintenance (research and experimental development into applications software, new programming languages and new operating systems would normally meet the definition of research).

Under this definition activities such as the conduct of focus groups and formal consultations, and the written reports from these, would not constitute research.

Research capability is central to the viability and sustainability of client-focused, effective and efficient service delivery within the health and community services industry. All sectors, public, not-for-profit and private have an interest in ensuring the industry is fostering innovation and best practice, and that policy and service models are based on a strong evidence base.

A collaborative industry-wide research effort could be funded through a multi-sector mechanism such as a Community Services Research Council, including non-government, government and academic representation. Such a mechanism would be responsible for the identification of industry research priorities and projects, and take advice from the industry regarding the allocation of funding according to an agreed priority schedule. Options for how the research could be undertaken might include:

- through an industry research capability, for instance through research funded and undertaken through a co-operative research unit housed with TASCOS; and/or
- by publicly tendering research projects as they are identified; and/or
- by establishing collaborative research teams from within the membership of the Community Services Research Council around specific projects; and/or
- through other governance arrangements.

Such an approach would enable secondment and involvement from public sector research and policy units, as well as academic involvement from the University of Tasmania. A collaborative research effort might attract more widespread support

through mechanisms such as corporate sponsorship and research funding. It would also support the notion of “joined up” and connected policy development within the industry.

8. Proposed framework

8.1 Industry and sector bodies

The preferred framework recommended is for an industry-wide body supported by a range of sector specific peaks. This model supports one funded peak body for each sector of the community services industry, as well as one industry-wide peak body which provides an integrated, whole of industry perspective. The industry body and sectors are outlined below.

8.1.2 Industry-wide body

The national network of councils of social service is the accepted industry group representing community services, and this should be reflected in arrangements adopted for Tasmania. Therefore, it is appropriate that TASCROSS is funded as the industry-wide peak body.

8.1.3 Mental health sector

The Mental Health Council of Tasmania is accepted by the government and non-government sectors as the peak body representing the mental health sector, and therefore it should continue to be funded as the peak body in this sector. No other mental health organisations are currently funded by DHHS to provide peak body services in this sector.

8.1.4 Housing

Shelter Tasmania is accepted by the government and non-government sectors as the peak body representing the housing sector, and therefore it should continue to be funded as the peak body in this sector. It demonstrated strong and effective arrangements for ensuring its services were delivered on a state-wide basis during consultations for the review. No other housing organisations are currently funded by DHHS to provide peak body services in this sector.

8.1.5 Alcohol and drug sector

The Alcohol, Tobacco and other Drugs Council of Tasmania is accepted by the government and non-government sectors as the peak body representing the alcohol and drug sector, and therefore it should continue to be funded as the peak body in this

sector. No other alcohol and drug organisations are currently funded by DHHS to provide peak body services in this sector.

8.1.6 Families and children sector

This is a new sector identified as part of the review. Currently there are a number of organisations funded by DHHS which provide at least some peak body functions with coverage of this sector; however, none are comprehensively providing peak body functions across the whole sector. The relatively low level of funding being provided to the existing organisations has contributed to inadequate and fragmented coverage of the sector. As there is no identifiable and accepted organisation representing this sector, the review recommends that a public tendering process is undertaken to determine the most appropriate organisation to perform the role of peak body for that sector. As there are a number of organisations currently funded to perform at least some peak body functions to parts of this sub-sector, incentives for partnerships and/or amalgamation should be explored.

8.1.6 Disability sector

This is an existing sector where there are currently a number of organisations funded by DHHS to undertake peak body functions. In many instances these organisations combine their peak body functions with a level of direct service delivery to consumers. It is essential that one strong peak body operates in this sector, and that such a body is not engaged in any service delivery functions, as this has the potential to pose a conflict between the interests of service organisations and those of consumers. As in other sectors where there are multiple-funded organisations performing peak body functions, there is a degree of fragmentation around policy responses and sector coverage. It is also virtually impossible for existing funded organisations to deliver the level and scope of peak body functions DHHS is seeking on the levels of funding currently available. To address this, funding needs to be consolidated into a single organisation that can operate at an appropriate strategic level with staff to support this. Therefore, the review recommends that a public tendering process is undertaken to determine the most appropriate organisation to perform the role of peak body for this sector, and again the question of providing incentives to existing organisations for the purposes of developing partnerships or amalgamations should be explored.

8.1.7 Consumer sector

Many existing peak bodies and service organisations indicated they attempted to include a consumer perspective in their considerations; however, it is clear there is no existing body which has the capacity to represent the voice of consumers in a strategic, considered and well-researched way. This is a significant existing gap which needs to be further explored by the Department. This review recommends establishing an

appropriate body to undertake peak functions on behalf of consumers; however, we are mindful this is an area currently being considered, particularly in relation to mental health consumers, and any consideration of funding should be undertaken within the broader context of what is happening in the community sector.

8.2 Other sector areas for consideration

8.2.1 Health

Currently DHHS does not provide funding to health-based organisations for peak body functions as defined in this review. That is not to say that in the future there is not a need or scope to consider this. For example, sitting outside of the human services sector but an area raised during the review, is how organisations representing chronic diseases might be addressed within the framework. With the Tasmanian Strategy for Chronic Disease still in a developmental stage, the timing is appropriate for the Office for Community Sector to explore how this might be addressed. In doing so there are broader areas of health such as primary health, acute care, early intervention and prevention and community health, as well as the range of private health providers that would need to be considered.

8.3 Population based peaks

Outside of scope of this review but requiring consideration is the range of population-based groups which undertake peak body functions currently funded predominantly through the Department of Premier and Cabinet (DPAC).

The Community Development Division of DPAC brings together a number of interrelated activities that have a particular focus on improving the quality of life of all Tasmanians, building community capacity, addressing social disadvantage and increasing social inclusion. This Community Development Division comprises the following:

- Office of Aboriginal Affairs
- Office of Children and Youth Affairs
- Disability Bureau
- Multicultural Tasmania
- Seniors Bureau
- Women Tasmania

Across these population-based areas, a range of organisations receive funding including but not limited to:

- Youth Network of Tasmania (YNOT)
- Early Years Foundation
- Council on the Ageing (COTA)
- Multicultural Council of Tasmania

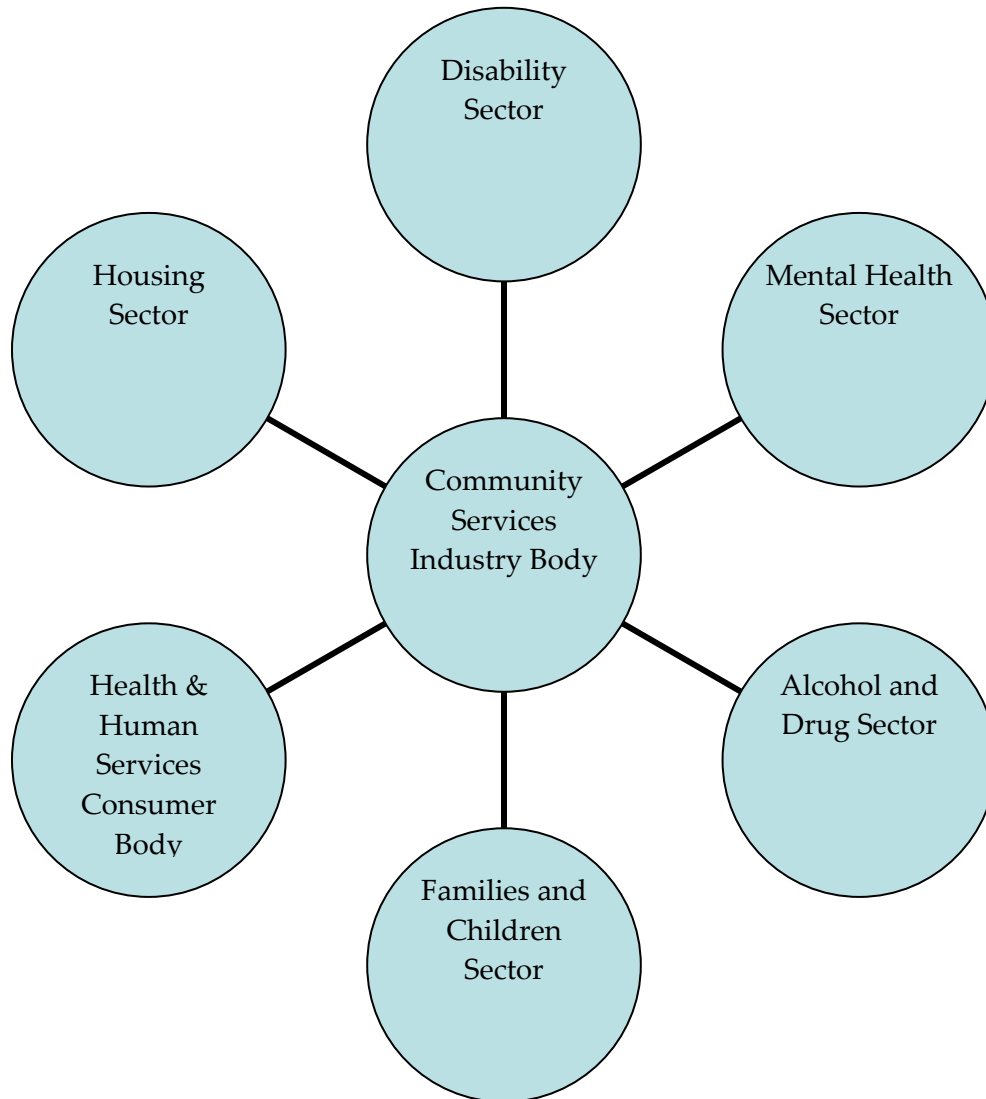
Whilst not part of this review, it is clear through the consultation and research process that greater consideration needs to be given to the “whole of government” approach to working with the broad range of peak bodies within Tasmania including the inter-departmental relationships. This is particularly relevant across DHHS, DPAC through the Community Development and Social Inclusion Units and also the Department of Education (DoE).

For example, an organisation such as YNOT may be called on for policy perspectives and consultation by DHHS, DoE and DPAC at any given time, but its funding base is provided by DPAC. Similarly, TASCOS which is funded by DHHS may be undertaking a range of work that is relevant in other portfolios. For example, TASCOS is currently working on economic development and employment strategies relating to Department of Economic Development, and on climate change issues which are related to work within the Department of Environment. A similar situation applies to Shelter which is funded through DHHS, but has provided support in a range of ways as part of current consultation and research with the Social Inclusion Unit within DPAC.

It is recommended that the Office for the Community Sector initiates discussions through whole of government mechanisms to commence a process for establishing a more appropriate framework for inter-department/cross-sector relationships with peak bodies.

The framework recommended for the current Tasmanian community sector environment would include the following:

Figure 8.1. Proposed community sector framework.



This framework provides the flexibility to accommodate changes in the composition of the sector, for example to enable funding to additional peak bodies in emerging sectors such as co-morbidity, at an appropriate time.

9. Outcome statements and KPIs

Service agreements in place for existing peak body arrangements do not clearly articulate outcome requirements. During consultations for this review both departmental officers and community sector organisations raised the need for greater clarity around performance expectations in service agreements. Whilst reporting and performance requirements are being dealt with under a separate review process, the following list outlines outcome requirements which are relevant to peak body funding.

Benchmarking

- Participation in benchmarking with other, like peak bodies in other states, and with other peak bodies in other industries within Tasmania.

Governance

- Demonstrate appropriate corporate governance arrangements, and that appropriate policies and procedures are in place;
- Demonstrate that the organisation has an effective performance measurement framework in place; and
- Demonstrate good practice in areas such as:
 - Co-operation and collaboration
 - Innovation
 - Diversity and equitable access
 - Accountability
 - Transparency and consistency
 - Efficiency and effectiveness

Representation

- Broad membership base with proportionate sector and interest group representation;
- Public reporting of members in the Annual Report; and
- Effective mechanisms to ensure appropriate representation of the sector and that the advice provided to the Department is reflective of this broad base including:
 - Purposeful networking to gain understanding of the specific issues impacting the level of socio-economic disadvantage in specific population groups (for example Aboriginal, Culturally and Linguistically Diverse, aged, women, youth).

Consultation

- Collaboration with other “key representative organisations”, peak bodies, etc;
- Commitment to consult and working collaboratively with the Department of Health and Human Services and other Tasmanian Government departments in a spirit of mutual respect; and
- A capacity to lead significant change agendas within the sector.

Relationships

- Ability to manage tension arising as a result of the differing roles of the Department and the peak bodies in a way which is cooperative and respectful. Peak bodies recognise that an effective relationship between DHHS and themselves will assist in sector capacity building. An effective relationship between DHHS and peak bodies will be characterised by a constructive approach to identifying and resolving issues, timely and full communication and mutual respect for each other’s points of view.

10. Funding formula

10.1 Service agreements

Funding provided by the Department of Health and Human Services needs to be clearly defined and agreed through Service Agreements. Service agreements need to be results-based, in line with the trend in government funding towards a results focus for all funded programs.

Funding to peak bodies to be considered on a two-tiered system:

Industry organisation (umbrella)

- Representation across sectors
- Consolidated views and consultation
- Represent the whole or a major part of the industry

Sector organisations

- Represent specific sector issues
- To include broader community views for this sector

There are several issues with the way funding is currently applied to peak bodies. Firstly current funding arrangements are “historic”, and there is no system or common approach in relation to the levels of funding organisations receive, or the performance or reporting requirements that are applied to them. This situation was verified by both departmental officers and community sector organisations during the review. Almost no-one could explain how the existing levels of funding were arrived at: rather, everyone referred to “historic” arrangements.

This has led to a situation where there is significant variation between the level of funding different organisations receive, and the expectations they have placed upon them for this funding. The review was unable to uncover the rationale behind the levels of funding provided, and in many instances this was largely inadequate to provide a comprehensive and effective peak body function.

Many of the peaks consulted during the review highlighted the limited levels of funding available, and the issues they then faced around capacity. They highlighted this as most significant in workforce capacity, as existing funding levels do not enable most existing peak bodies to offer market-competitive salaries to staff, particularly in policy and program positions. This impacts in two ways. Firstly, they find it very difficult to attract appropriately skilled staff to vacancies, and secondly, it contributes significantly to a high level of turnover because public sector policy and program positions pay

significantly more for roles with the same level of responsibility. Therefore, existing peak bodies noted they are constantly battling to find appropriately skilled and experienced staff, and to retain them for any length of time.

Consolidating existing funding into one peak body per sector will go some way towards addressing this problem. However, given the existing DHHS reform agenda and the role of the community services sector in this, there is also a compelling argument that the sector will need to be responding more strategically to initiatives with peak bodies taking a strong leadership role in the development of the sector. Under these circumstances it is reasonable to anticipate greater investment into peak bodies than is currently provided.

However, this will also be accompanied by an increased level of expectation around performance. The scale and scope of operations for peak bodies is likely to increase, and they will need to demonstrate considerably more by way of outcomes and effectiveness than is the case in existing service agreements. Any increase in funding to peak bodies will be a strategic investment by the department. In the current policy environment this should yield results by way of the following:

- strengthened capacity within the industry;
- more effective and productive alliances and partnerships;
- improved policy dialogue;
- more effective systemic advocacy;
- increased capacity to both initiate and respond to innovation; and
- greater levels of capital expenditure.

10.1.1 Funding for core functions

To be provided under three year service agreements, with annual performance and reporting requirements. Funding for core functions should take account of staffing requirements, administration and operational expenses. The review has not recommended a specific funding allocation for each sector peak or the industry peak body. We note from our research into peak bodies operating in other states that they tend to have a diversified revenue base derived from government grants, membership fees, business undertakings, training delivery, sponsorships, charitable donations and running events and conferences. It would be optimal if, over time, Tasmanian community sector peak bodies could also achieve this level of diversity in their revenue base. This would assist with long term sustainability.

Across other states funding to peak bodies varies significantly. An examination of a range of peak body organisations including the Centre for Excellence in Child and Family Welfare Inc in Victoria, VCOSS, SACOSS, WA Shelter and the Mental Health Community Coalition ACT reveals revenue from government grants range from \$155,000 per annum to well over \$500,000 per annum. Taking account of this, current

peak body funding levels in Tasmania and the importance of peak bodies in the current reform process we have determined that the Tasmanian peak body framework will require an annual investment by DHHS of at least \$1,500,000. How this amount is invested across the framework will be a matter for negotiation, and this will need to take account of the funding base for existing peak bodies and the need to achieve greater consistency in funding levels.

10.1.2 Funding for non-core functions

To be negotiated on a case by case basis, under separate service agreements for each project, and with separate performance and reporting requirements for each project. Funding for capital expenditure should be treated as a non-core expense, and negotiated on a case by case basis.

10.2 Approach to funding

Currently DHHS funding forms a significant proportion of the total revenue that existing peak bodies receive. For some peak bodies it is the only source of revenue, aside from some token membership fees, they receive.

This is not the case with all industry or representational bodies. Enquiries during this review uncovered some organisations, outside the community services sector, which are entirely self-funding from membership fees and other fee for service activities, and others where membership fees form a significant revenue stream for their operations. Whilst many peak bodies within the community services sector might aspire to this level of independence, they are all a long way from being able to achieve it.

Whilst this review supports the continued direct funding of peak bodies by the Department, we also support exploring how funding arrangements might change over time to achieve a greater level of member input. By this we mean how can the peak bodies move to a situation where they are being funded “by the industry”. Achieving this would require membership fees which are substantially higher than the current levels, which are more token than reflective of the member services offered. However, the Department could explore how it could build increased membership funding into the service agreements of all community sector organisations it funds.

Moving to a more industry-based approach to funding, at least in relation to core functions, has the potential to increase accountability and transparency in peak bodies, as it leads to a much closer link between service providers and their peak. It provides service delivery organisations with the institutional mechanism to shape a responsive and accountable peak body for their sector.

The review therefore recommends that DHHS commit, in principle, to introducing an industry membership funding model, for implementation when the next three year service agreements for peak bodies expire in 2012. This model would see peak bodies funded, at least in part, through membership fees which would be costed into DHHS service agreements with service providers. Clearly extensive consultation, research and development work will be required between now and 2012 to ensure a viable and sustainable model can be developed.

11. Change management strategy

In most jurisdictions, both nationally and internationally, governments have used a major human services reform agenda as the catalyst for the negotiation of broad ranging reforms of their relationships with the community sectors and the peak bodies that represent them. This has included a range of new initiatives such as those demonstrated by the Queensland Government, which in that instance included statutory arrangements.

The establishment in Tasmania of the Office for the Community Sector within DHHS, coupled with the human services reform agenda, provides an opportunity to examine the roles, functions and relationships between the peak bodies and DHHS.

The following implementation/change management strategy takes into account the broader reform agenda underway across the community sector and therefore attempts to link into these processes to ensure a smooth transition from the current model to the preferred future.

The change management and implementation diagram does not include timeframes, as this is a matter to be determined internally within the department. However, with existing service agreements generally expiring on 30 June 2009 and the human services reform process to be operational by May 2009, it is assumed that the required steps to move from the current model to the preferred model framework would be undertaken to enable a transition to the new framework from 1 July 2009. This would enable the peak bodies to be at full capacity for participation in the State Advisory groups to be convened to oversee the Area Plans and Area Advisory groups.

In general terms, the change management strategy defines, at a high level, the factors to be used to control changes that need to occur after the project baseline has been established (that is, at acceptance of the framework and report recommendations). The project baseline will then need to be developed to include a detailed description of scope, budget, schedule, and plans for managing quality, risk, issues, and implementation timeframes.

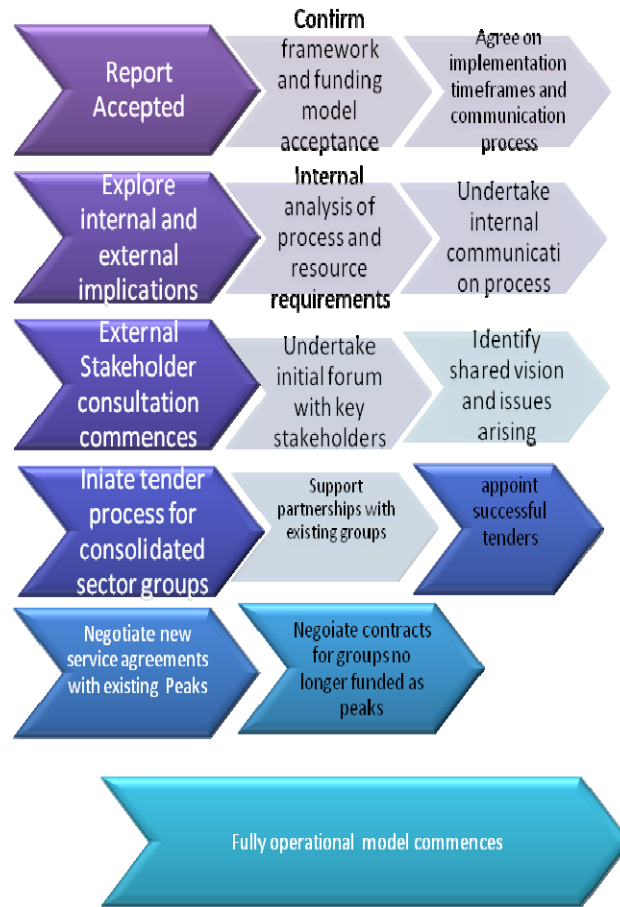
The change management strategy involves adopting a project status upon acceptance of the recommendations in order to produce a project plan that includes:

- anticipated change management challenges (incorporating a risk assessment)
- key project constraints
- key strategies for managing change
- scope
- budget
- schedule

For some within the sector, the adoption of the new framework may be seen as complex change and it is therefore important to augment this with consultative communications to agree and gain support for the reasons for the change. Involving and informing the sector will also create opportunities for others to participate in planning and implementing the changes. This will assist in balancing the organisational load across the business units and create a sense of ownership and familiarity among the people affected, both internally and externally.

11.1 Implementation schedule

Figure 11.1. Implementation schedule.



11.2 Communication strategy

This communication strategy identifies ways in which planned, positive and targeted communication will contribute to the effective sharing of the outcomes of the Peak Body Review, including the new framework and funding model, and the implementation processes that will be undertaken relating to the recommendations of the review.

This communication will ensure that stakeholders are aware of:

- the purpose, processes and timeframes of the framework and funding implementation;
- the desired outcomes; and
- how stakeholders can be involved.

The key objectives of the communication strategy are:

- to ensure consistent, accurate and timely communication with all key stakeholders;
- to ensure active engagement and ownership by the stakeholders in the implementation of the recommendations affecting them;
- to develop well-targeted means of communication that effectively engages and addresses the diverse needs of stakeholders; and
- to promote the role and work of the Office for the Community Sector and specifically the future relationship between the Office and the peak bodies.

11.2.1 Communication tools

Internal

- Formal reporting documents/briefing notes
- Project plan incorporating work plans
- Progress reports on Project Plan
- Meetings as advised

External

- Formal written correspondence
- E-bulletins with updates
- Internet through Community Express
- Consultation meetings both individually and in groups (for instance, through the Peak Bodies Group and Agency Sector Forum)
- Workshops/forums and meetings as required

11.2.2 Stakeholder analysis

An initial stakeholder analysis has been undertaken and is outlined below. The Office for the Community Sector may, however, identify a broader internal and/or external group that is appropriate for communication. As the recommendations are addressed, the relativity of the stakeholders will change based on the implementation of the definition of a peak body and the framework.

Table 11.1. Internal stakeholders.

Target Audience	Key Messages	Communication Methods	Responsibility
DHHS Business Units	Information about the new framework and analysis of the impact on current peak bodies that are funded through their operational unit	Copy of the Review Report with a briefing note and follow up face to face meeting with key people from the business unit Involvement in forums with external stakeholders	Office for the Community Sector
Department of Premier and Cabinet	Outcomes of the peak body review Initiating discussions relating to recommendation no. xii to progress a whole of government approach to peak body processes	Formal report/briefing note and meeting Initial meeting to discuss options and opportunities	Office for the Community Sector
Department of Education	Outcomes of the peak body review Areas of overlap and discussion relating to joint relationship	Formal report/briefing note and meeting	Office for the Community Sector

Table 11.2. External stakeholders.

Target Audience	Key Messages	Communication Methods	Responsibility
Peak Bodies which will continue to be funded under new framework (TASCOSS, Shelter, Mental Health Council of Tasmania and Alcohol, Tobacco and other Drugs Council of Tasmania)	<ol style="list-style-type: none"> 1. The purpose, processes and timeframes of the framework and funding implementation. 2. The desired outcomes – short term and long term. 3. Linkages to other reform processes currently underway. 4. How they can be involved. 	<p>Formal letter advising outcome of the review and their “status” under the framework</p> <p>Follow up meetings and discussion</p>	<p>Office for the Community Sector</p> <p>DHHS Business Units and Office for the Community Sector</p>
Currently funded organisations which do not fit within the definition and core functions	Renegotiation of contract based on their core functions (ie direct service delivery etc)	Follow up individual meetings to discuss future options	Office for the Community Sector and/or Business Unit
Currently funded organisations which will need to tender, amalgamate and/or form partnership with another organisation	<p>Reasons for the reform and the links to the broader human services reform agenda</p> <p>Purpose, processes and timeframes for tender process</p> <p>Partnership incentives</p>	Formal letter advising of review outcomes and inviting them to a joint meeting with other groups within their sector to discuss the tender process and partnership options and opportunities	Office for the Community Sector and relevant business unit/reform/unit

Bibliography

- ACT Government 2004, Community Sector Funding Policy, retrieved from www.dhcs.act.gov.au/_data/assets/pdf_file/0019/5356/Community_Sector_Funding_Policy.pdf
- Barraket J 2006, *Community and Social Enterprise: What Role for Government*, prepared for the Department for Victorian Communities, retrieved from [http://www.dvc.vic.gov.au/Web14/dvc/rwpgslib.nsf/GraphicFiles/CommunitySocialEnterpriseMarch2006.pdf/\\$file/CommunitySocialEnterpriseMarch2006.pdf](http://www.dvc.vic.gov.au/Web14/dvc/rwpgslib.nsf/GraphicFiles/CommunitySocialEnterpriseMarch2006.pdf/$file/CommunitySocialEnterpriseMarch2006.pdf)
- Cheverton J 2005, "Past their peak? Governance and the future of peak bodies in Australia", *Australian Journal of Social Issues* vol. 40, no. 3, pp. 427-439.
- Dalton B & Lyons M 2005, *Representing the Disadvantaged in Australia: The Role of Advocacy Organisations*, Democratic Audit of Australia and the Australian National University, retrieved from <http://democratic.aduit.anu.edu.au>
- Department of Community Services NSW 2005, Department of Community Services Funding Policy, retrieved from www.lcsa.org.au/images/documents/funding_policy.pdf
- Department of Community Services NSW 2007, "Service outcomes for peak bodies", reference paper, retrieved from www.community.nsw.gov.au/docswr/main/documents/peaks_referencepaper.pdf
- Department of Education, Science and Training, Higher Education Research Data Collection, http://www.dest.gov.au/sectors/research_sector/online_forms_services/higher_education_research_data_collection.htm#2008_Specifications
- Edgar G & Australia Institute 2008, *Agreeing to Disagree: Maintaining Dissent in the NGO Sector*, Australia Institute, Manuka, ACT, retrieved from <https://www.tai.org.au/?q=node/8>
- Ebrahim A 2006, "Placing the normative logics of accountability in 'thick' perspective", working paper no.33.2, The Hauser Center for Nonprofit Organisations and The John F Kennedy School of Government, Harvard University, retrieved from http://www.hks.harvard.edu/hauser/PDF_XLS/workingpapers/workingpaper_33.2.pdf
- Goodwin R E 2003, "Democratic accountability: the third sector and all", paper presented to the conference on 'Crisis in Government: The Nonprofit/Non-Governmental Sector', Hauser Center for Nonprofit Organisations and The John F Kennedy School of Government, Harvard University, retrieved from http://dspace.anu.edu.au/bitstream/1885/41708/2/Demo_Account.pdf
- Government of Canada, *Achieving Coherence in Government of Canada Funding Practice in Communities: The Community Non-Profit Sector in Canada*, retrieved from http://www.hrsdc.gc.ca/en/cs/sp/sdc/task_force/tfci/page03.shtml

- Government of Canada, National Survey of Community Sector Organizations, retrieved from <http://www.statcan.gc.ca/cgi-bin/imdb/p2SV.pl?Function=getSurvey&SDDS=5023&lang=en&db=IMDB&dbg=f&adm=8&dis=2>
- Government of Canada 2002, Voluntary Sector Initiative Canada – Government and Voluntary Sector Relationships, retrieved from <http://www.vsi-isbc.org/eng/relationship/index.cfm>
- Government of New Zealand 2001, Statement of Government Intentions for an Improved Community–Government Relationship, retrieved from <http://www.ocvs.govt.nz/documents/policies/governmentintentions.pdf#search=%22Statement%20of%20Government%20Intentions%20.nz%22>
- Government of Queensland, Community: Strengthening Non-Government Organisations, Key initiatives of the Community Services Act 2007, retrieved from http://www.communities.qld.gov.au/community/strengthening_ngos/initiatives/legislation.html
- Industry Commission 1995, *Charitable Organisations in Australia*, Australian Government Publishing Service, retrieved from http://www.pc.gov.au/_data/assets/pdf_file/0007/6991/45charit.pdf
- Lansley J 1996, “Intermediary bodies in the 1990s: new settings, old problems?”, in *Nonprofit Management and Leadership* vol. 7, no.2, pp. 169-180.
- Leiter J 2005, “Structural isomorphism in Australian non-profit organisations”, working paper no. CPNS 28, Centre of Philanthropy and Nonprofit Studies, Queensland University of Technology, retrieved from <http://eprints.qut.edu.au/archive/00004460/01/4460.pdf>
- Lyons M 2001, *Third Sector: The Contribution of Nonprofit Enterprises in Australia*, Allen & Unwin, St Leonards NSW
- Lyons M 2001a, *Compacts Between Governments and the Voluntary Sector*, paper to Governance and Partnerships in the Third Sector: Reconciling Agendas for Change Conference, 27 April 2001, Melbourne, retrieved from <http://www.communitybuilders.nsw.gov.au/download/compacts.pdf>
- Lyons M & Passey A 2005, *Australians Giving and Volunteering 2004, Giving Australia: Research on Philanthropy in Australia*, for Department of Families, Community Services and Indigenous Affairs & The Prime Minister’s Community Business Partnership, retrieved from <http://www.partnerships.gov.au/pdf/volunteeringgiving.pdf>
- MacGregor-Lowndes M 2007, “The full cost of service delivery”, keynote presentation delivered at the 2007 QCOSS Conference, retrieved from www.qcross.org.au/upload/2281_MylesMacGregorPresentation.pdf
- Melville R & Perkins R 2003, *Changing Roles of Community-sector Peak Bodies in a Neo-Liberal Policy Environment in Australia*, University of Wollongong

- Melville R 1999, “Nonprofit umbrella organisations in a contracting regime: a comparative review of Australian, British and American literature and experiences”, the International Journal of Not-for-Profit Law, vol. 1, no. 4.
- Onyx J & Dalton B 2004, Accountability and Advocacy, paper presented at the ISTR Conference, Toronto, retrieved from <http://www.hapinternational.org/pool/files/acct-^-advocacy.pdf>
- Rawthorne M & Shaver S 2008, *Government/Non-Government Relations: The Impact of Department of Family & Community Services Contractual Reporting and Accountability Requirements*, SPRC Report No.2/08 prepared for the Department of Families, Housing, Community Services and Indigenous Affairs, Social Policy Research Centre, University of NSW, Sydney.
- Scottish Executive 2004, Scottish Compact Implementation Strategy 2003 – 2006, retrieved from <http://www.scotland.gov.uk/Publications/2004/02/18719/31440>
- The Scottish Compact Good Practice Guides – Advice on the Scottish Executive's relations with the voluntary sector, retrieved from <http://www.scotland.gov.uk/library2/doc16/cgpg-02.asp>
- VCOSS 2008, State Budget Submission 2008-09, retrieved from http://www.vcross.org.au/documents/VCOSS%20docs/State%20Budget%20Submission/2008-9/Pub_0809_State_budget_submission.pdf

Attachment 1: Questions for peak body interviews

- Assuming there were no barriers in place, what would your organisation look like in two years, and what would you have done to get there? What model would you have in place to represent the sector?
- What do you think DHHS is looking to achieve from their funding of peak bodies? What are their expectations of the role of peak bodies?
- How does this align with your own expectation of your role as a peak?
- Have you been given any undertakings by the State Government in terms of your role?
- How do you manage the difficult balance of developing a sector position with a process and system of accountability to your membership? (ie how do you get their opinions on particular issues, how do you report back to them etc.)
- How do you interact with other like organisations/peak bodies, either in your sector or across the whole of community services?
- Do you have any affiliations, alliances, partnerships with other NGOs in your sector at a either a State or national level?
- How were existing levels funding levels arrived at? Do you have a view on what a peak funding framework/formula should look like?
- As a peak body, do you think there are any gaps or areas that are not encompassed into how you represent your sector?
- How do you view the following activities in terms of relevance to where you want to be as a peak body
 - Membership services
 - Sector capacity building
 - Training and professional development
 - Information Services

- Community education
- Policy and research
- Advocacy services
- Sector co-ordination
- Consumer support services
- Quality assurance/quality control
- Mediation
- Brokerage of funding and funding agreements
- Sector improvement strategies

Membership:

- How do you define your constituency? ie membership based, geographical, based on the program that funds you?
- How does your governance and membership model support effective, evidence-based representation of your sectors views?
- Do you have a member ship structure?
- How many members do you have?
- What percentage of your sector area/s does this represent?

Information Services:

- How do you keep your membership or constituency informed?
- Do you provide regular correspondence ? Is it publicly available or only available to members or subscribers?
- If so, in what form and how frequently? (ie newsletter/website annual conference etc)

Policy and research:

- Does your organisation undertake research or develop policy proposals? If so, how do you develop your policy positions and areas for research?

Advocacy:

- Does your organisation undertake advocacy? If so, is this on an individual basis or on broader sectoral issues?