

Community and Neighbourhood Houses and Centres Association Inc. (CANH) submission to the Contribution of the Not for Profit Sector Productivity Commission Issues Paper.

Background

The Community and Neighbourhood Houses and Centre sector has been working in South Australian local communities for over 30 years, building their capacity for inclusion and empowerment, community interaction, wellbeing, resilience and social cohesion. This is achieved through the provision of services, programs and activities in an inclusive and supportive environment with a focus on prevention and early intervention and on identifying the unique needs of their community. There are over 1000 Houses and Centres nationally represented by the Australian Neighbourhood Houses and Centres Association (ANHCA).

Houses and centres are usually incorporated community managed organisations governed by a volunteer management committee with a part time community development worker working with a team of volunteers. Currently there are 96 community and neighbourhood houses and centres throughout South Australia with 23 of these in rural areas. A recent survey indicated that in SA there were more than 2 million user contacts a year.

Houses and centres are often a hub for community participation, engaging with people who are most disengaged and disadvantaged and providing existing infrastructure and networks that place them in an ideal situation to collaborate with all tiers of government and non government agencies. Houses and centres play a pivotal role in building community capacity which is largely unrecognised, specifically in regards to resourcing. Often houses and centres are the first port of call for people as they are places where they feel comfortable, accepted and trust the staff. The centres provide the most appropriate support that can be given within their limited resources that may include someone to talk to, “accidental” and formal counselling, referral and linkages, crèche, adult community education, health promotion, problem solving and technology, personal development and employment skills, foundation skills, support groups, recreational activities, work placements and volunteering opportunities.

At a recent forum where adult learners were invited to tell their story of engagement with adult community education, one man said “the community house was my first port of call, my last port of call, my only port of call.....”

Community and neighbourhood houses and centres enrich the quality of lives of their community members by providing a place for:

- reducing social isolation through friendship, support and building networks
- the sharing of information, resources and a linking and referral service
- programs and services for strengthening individuals and families
- life-skills, health, recreation and education programs
- encouraging preventative practices through health, welfare and social justice
- developing a culture of lifelong learning
- enhancing choices and opportunity

Over time, houses and centres have become increasingly pivotal in actively addressing the needs of their community. This is in a climate of increased complexity of social issues for individuals, families and communities which may include challenges relating to social isolation, mental illness, housing/financial/parenting stress, racial discrimination and environmental issues.

Measuring the contribution of the not for profit sector Reports

Adult Community Education

“When compared to other community based activities, adult and community education is likely to have one of the highest added values in economic terms, as it is largely focussed on improving people’s productive lives through learning. Additionally, the benefits of enhanced learning are likely to have implications in all areas of an individual’s life, whether as employees, parents or members of the community. The report estimates the economic benefit of the adult community education sector is between \$4.8 - \$6.3 billion annually. This is a return on investment of **\$54 - \$72** for each **\$1** of funding.”

Economic Evaluation of ACE outcomes - New Zealand Research by independent analysts PricewaterhouseCoopers June 2008

Volunteering Contribution

In the South Australian Houses and Centres alone:

- Over 15,000 volunteer hours per week valued at over \$15 million per annum
- 660 volunteer committee of management and advisory group members valued at over 33,000 hours of community governance valued at over \$635,000 per annum

CANH Marketing Survey 2005

Social Inclusion

“Neighbourhood Houses and Centres contact a broad range of community members, it is their ability to involve the most disadvantaged and socially isolated that makes them a unique and valuable resource”

“Strengthening Local Communities, DVC, Pope & Warr, 2005, p.3)

“There has been an overemphasis on individual remediation and treatment and an under emphasis on prevention and development (Morrison et al. 1997). In addition, Morrison et al. refer to services with fragmented funding that are poorly designed and do little to contribute to building an overall neighbourhood structure. The importance of prevention strategies is also highlighted by claims that billions of dollars are spent on public services to address problems that are preventable. Not only does it make economic sense to invest in prevention strategies, it is also a mechanism for building capacity rather than fostering dependence on public programs (Iowa Kids Count Initiative 1993). The Iowa Blueprint Investment Strategy is a community prevention agenda developed in the United States (US) in the early 1990s to help children to thrive. It states that over US\$2 billion was spent in 1992–93 on problems that can be prevented. The key areas of expenditure were remedial services (health, education and human services); adult dependence (welfare and health care costs); and public protection (juvenile and adult corrections). A number of poor outcomes that are preventable are listed, including:

- health—low birth weight, neonatal intensive care, chronic and severe health problems, mental and neurological problems;
- education—grade retention and school drop outs;
- human service—child abuse/neglect, foster care and juvenile delinquency; and adult dependency—welfare dependency, criminal behaviour/incarceration and unemployment and lost economic activity.

It is argued that if public expenditure to address preventable problems can be reduced by five per cent, the state will save over US\$3 for every US\$1 invested in prevention initiatives (Iowa Kids Count Initiative 1995).”

“There is now strong agreement among a number of economists that the quality of human capital is a factor influencing economic growth and the social stability and quality of societies. One measure of the quality of a society and its human capital is the quality of education and health and the level of equity across the population. A number of economists now understand the impact of early child development on levels of education (cognitive) and behaviour (non-cognitive). For most of these economists there will have to be increased investment in early child development if we are going to close the gap between what we know and what we do.”

“The cost of crime and violence and mental health and behaviour for individuals and society in South Australia is about CAD\$7 billion whilst universal, high quality early child development programs for all families with young children in South Australia would be about CAD\$750 million. High quality universal early child development programs could reduce the costs of mental health and crime to individuals and society by more than 50% in 25 years (the time it would take from beginning universal early child development programs to influence the quality and capability of the next generation). Based on these rough estimates, the cost to put in place universal high quality early child development and parenting programs in place in South Australia would be about CAD\$750 million per year if all families with young children took part. If only 50% of the families took part, one could project that the cost to South Australian society and individuals in terms of mental health, addiction, behaviour and crime and violence would be reduced to less than CAD\$3 billion per year. In his World Bank papers on early child development in the developing world, Jacques van der Gaag (2002) made the point that investment in early child development programs enhances the equity and quality of a society, limits social exclusion and is a very important factor in economic growth and prosperity”

http://www.thinkers.sa.gov.au/images/Mustard_Final_Report.pdf

Early Childhood Development: The best start for all South Australians A companion document to the Adelaide Thinker in Residence Report J. Fraser Mustard, Adelaide Thinker in Residence 2006-2007

How do not for profits contribute?

One of the features of small locally based community organisations is their ability to respond quickly and appropriately to the identified needs of their community. One example is in a community centre in the Western suburbs of Adelaide, some recent arrivals from who had completed their initial 500 hrs of intensive support and were attending the community centre for ongoing social support and language classes were compelled to enrol in TAFE to fulfil Centrelink obligations. They did not at that stage have the language skills, life skills for Australia or confidence to succeed in the TAFE environment. The community centre responded by offering unfunded 1:1 language support and liaising with TAFE to ensure the best outcomes for the people involved. The programs are flexible and inclusive to the needs of the women and are much more than sitting in a large classroom setting – the centre deals with real life situations and has guest speakers come in from agencies / organisations that can assist the women with the issues they are facing. The centre doesn't believe its programs replace TAFE studies as they don't have the resources (“and it's not our role - we are not an RTO”) but it's important to note that the programs are 'beyond the classroom' and will again be flexible to meet the changing needs of the women once they have completed their hours with TAFE.

Evaluation and reporting

A constant challenge for the community house sector is the number and content of reports required. In an environment where there is frequently one paid staff member working with teams of volunteers and managing several funding contracts from a variety of sources, reporting for reporting sake is counterproductive and wasteful of very limited, stretched resources.

Reporting and evaluation must be purposeful, of value to the funder and funding recipient. Of value would be a basic reporting framework (based on Logic Model) that is accepted across tiers of government and departments which recognises the social, human and economic benefits embedded in work of the sector. Reporting could then be confined to meaningful targeted program specific measures with an emphasis on qualitative data and continuous improvement.

Summary of Sector Outcomes

Adapted for the CANH sector in SA by CANH Evaluation Working Group Oct 2008 from Building Victorian Communities: Outcomes of the Neighbourhood House & Learning Centre Sector: Louise Humpage, Centre for Applied Research RMIT University

Individual Outcomes	Community Outcomes
(Social Wellbeing) Emotional wellbeing Physical wellbeing Stronger, safer families	(Social) Building and sharing community resources Community interaction Organisational synergies, connections and partnerships Community activism Empowerment and inclusion Social cohesion
(Social Capital) Social connections and networks Social participation Active citizenship	
(Human Capital) Employability skills and knowledge Lifelong learning Equality of access to goods and services	(Economic) Employment advocacy, referral and placement Innovation and business development Savings and health cost Savings in social and economic support
(Economic) Pathways into further education Pathways into employment Self sufficiency Income generation	(Environmental) Increased awareness of environmental sustainability

Experiences with attracting both paid and volunteer workers with the appropriate level of skills

Issues for small organisations that often have 1 part time paid staff member working with teams (20 – 270) of volunteers

Model is community development

- The sector believes in giving people the opportunity to participate and make connections and learn new skills that can improve their lives in a supportive, inclusive environment – this means that often volunteers start with low skills and confidence - they need to build foundation skills– this takes time and ongoing commitment from the organisation.

Resources

- The paid coordinator/manager is often part time and contributes significant volunteer time to the job. There is often no paid administrative support – the inefficiency lies in the lack of basic infrastructure to underpin the organisations role as a platform for social inclusion.

Governance

- Locally based governance: Many volunteer management committee members do not come with the skills and knowledge of governance to adequately perform their role but do have

extensive knowledge and experience of their community. It is critical for community leadership to flourish that there is the opportunity and active encouragement for governance training and opportunities to gain qualifications in governance that are also employment related. Community based management committees are a “breeding ground” for community leaders and their roles in that must be recognised and nurtured.

- Committees are indicating increasing compliance and legislative requirements as a barrier to their work and focus on strategic leadership. They quite understand the reasons behind and necessity for the legislation but struggle to keep up with it. e.g. Mandatory reporting, equal opportunity, industrial relations, occupational health, safety and welfare. As a form of continuous improvement there should be a mechanism for summarising legislative compliance and regular update for changes at a federal and state level – this could be communicated to sector through peak bodies.

Skilled Staff

- It is very difficult for small organisations to compete for appropriately skilled staff with larger NGO's and local, state and federal government agencies. The main reasons are the significantly lower rate of pay, the part time nature (usually with full time expectations) and no access to salary sacrificing. Revision of the Tax laws to include prevention in the definition of a charity to enable community organisations with a community development focus to apply for PBI status would be helpful. Wages are a Catch 22 situation. Unless funding increases with wage increases, the only option for small organisations is to reduce number of paid hours.

Workforce Development and Succession Planning

- It is important for a focus on sector workforce development and succession planning that recognises current skills and experience, addresses gaps and works with key volunteers to gain skills need to work in the sector. This must be flexible and workplace based, taking into account all the barriers to participation. There must be opportunities for people to engage in learning that provides pathways to paid and unpaid employment

Changing Face of Volunteering

- Increasing numbers of baby boomers are volunteering which is changing the face of volunteering – they are entering the sector from a work environment and their expectations of the volunteer role is significantly different requiring a great deal more organisation and preparation from the organisation to gain the benefits of skilled volunteers – again very challenging when there is very limited resources allocated to volunteer management which is itself a full time role
- Increasing age of retirement will have a future impact on volunteering

Quality Improvement

- Focus should be on continuous quality improvement rather than on compliance. Recognition of the time required to implement continuous improvement systems – the Service Excellence Quality Improvement System used in some SA community services organisations is relevant to the work of the sector but unless the costs of validation are borne by government, small NGO's cannot afford to participate

Partnerships with business

- A few community centres in SA have formed successful partnerships with Business for example with a local real estate business for family programs, sponsorship for events. The “LJ Hooker Coro Creates” program offers high-quality, low cost, local family focused events with a strong creative arts flavour. The program plays an important role in building cohesiveness and well-being within the community and encourages active participation by all who attend. The essence of the agreement is that the benefits of cooperation accrue equitably to each of the partners, within a framework of mutual respect and participation by each partner, building on the interests and individual integrity or operation. The program addresses particular community interests which the Centre had long known about and hoped and planned to serve, but could not have done so without LJ Hookers efforts and interest in developing a partnership with the Community Centre. It must be recognised however that forming business partnerships in areas of disadvantage is significantly more difficult.

Barriers

- Lack of eligibility for DGR status to make donations attractive for business
- Unrealistic expectations and understanding of the nature and values of each other's business
- Lack of business capacity to provide sponsorship
- Businesses inundated by requests for sponsorship – small businesses are already struggling and large businesses sponsor large NGO's.

Access to financial resources

- Inability of much of the community and neighbourhood house sector in Australia to access PBI and DGR Taxation status greatly restricts its access to funding from donations and philanthropic organisations.
- There is a national campaign to amend Australian Taxation Laws. Refer *'Prevention is better than cure....'* A briefing paper on why Australian DGR tax laws should be amended produced by The Association of Neighbourhood Houses & Learning Centres in Victoria.
- The basis to the proposed amendment involves the inclusion of the word **prevention** in the definition of a Public Benevolent Institution (PBI) as it appears in the Australian Tax Office publication *'Giftpack for DGR & Donors'* under the category 'Welfare & Rights'. A possible amendment is as follows: "A Public Benevolent Institution is a non-profit institution organised for the direct relief **or prevention** of poverty, sickness, suffering, distress, misfortune, disability or helplessness". Such an amendment will not mean a blanket endorsement for all non-profit organisations as applicants will still be assessed on a case by case basis depending on their ability to demonstrate their compliance with all other PBI criteria. This will afford the Federal Government with a measure of guarantee that the demand on Treasury for taxation benefits will be limited to non-profit organisations established for public benevolence and not for any other purpose.

Capacity to innovate and use resources for best effect

Impediments

Information overload

- Working with resource and time poor small organisations means that information must be readily accessible, summarised and interpreted to ensure that is relevant and can be easily understood. For organisations such as community centres that work across several areas e.g. early childhood development, family support, adult community education, health promotion, employment and with a cross section of people from the community from children to the elderly, from early school leavers to academics, the incoming information is overwhelming

Information exchange

- Lack of opportunities and time for cross sector networking to exchange information, generate ideas, collaborate and discuss what has worked and hasn't
- In our sector, regional meeting and working as regions on projects is benefitting the spread of knowledge. Southern centres (Community South network) employ a Learning Communities worker to work with 11 centres in Southern Adelaide on engaging people in learning opportunities leading to qualifications in their local areas through funding from DFEEST in a partnership with TAFE SA.
- It is crucial to recognise the unique needs of country centres for face to face networking opportunities to supplement online communications and the barriers created by time and distance

Recognition

- Lack of recognition of the value of the sector – often omitted from consultation processes and working groups but have the absolute connection and trust of the local communities in which they serve.

Innovation

- Constraints on innovation are entirely related to limited resources. Creativity is a strength of Houses and Centres - guidelines should be as flexible as possible to most effectively harness that creativity and knowledge of what works in their community e.g. 62 centres were recently offered small funding to offer opportunities for communities to engage in programs that increase physical activity – each program was quite different and 70% of the activities continue post funding period.

Diversity

- We hear of the increasing trend for government agencies moving to 'lead provider' relationships and would argue strongly against that trend. There is no doubt that working with numbers of smaller organisations must be more labour intensive than with large NGO's, but their absolute strength is in their diversity, creativity, independence, responsiveness and absolute connection at the grass roots level.
- With over 2 million contacts annually in SA alone, the collapse of this sector through exclusion by government would be catastrophic. Working closely with sector Peak bodies is a key strategy for maintaining and strengthening relationships with small organisations
- Many community centres work with multiple funding sources and contracts to deliver a variety of services and projects. Instead of working in silos, a cross government approach to working with these agencies would maximise outcomes and value add to service delivery.
- Short term contracts are extremely inefficient - well running successful programs can be ended before lasting outcomes or sustainability can be identified. Staff cannot be retained and a great deal of time is consumed in winding up programs only to recommence if funding successful. Uncertainty has a significant impact on job satisfaction and planning efficiencies.
- Late notice of funding significantly impacts on the ability and efficiency of organisations. They do not have the capacity to commence without the funding and starting 3 months into a short contract is an impediment to successful outcomes.
- Cost of doing business increasing e.g. auditing (financial, childcare accreditation, food safety, quality systems), insurance, compliance with increasing regulations and **no increase in funding**
- Increasing requirement for fundraising from communities that do not have the financial capacity to contribute
- Reporting: sector has a strong belief in transparency but there is inefficiency in the expectation that a significant proportion of time and therefore dollars are allocated to reporting and compliance

Trends

Ageing workforce

- Need for succession planning, workforce development, realistic work life balance, resourcing for organisation infrastructure, encouragement of volunteering to build foundation skills as a pathway to employment

Information Technology

- Keeping up with information technology is a challenge for small community organisations which often do not have the internal capacity to maintain and update IT systems and web based technology

Funding

- Short time frames for funding opportunities disadvantages small NGO's

- Realistically, the community and neighbourhood houses and centres sector works at beyond capacity and is heavily reliant on volunteer contributions by paid staff as well as volunteer contribution of over \$15 million dollars a year in South Australia alone. There is a desperate need for core staffing infrastructure to maximises and enhance volunteer contribution. Every dollar that comes to the sector is value added e.g. a person that comes to a community centre and joins a walking group may engage in a literacy program and family playgroup, may become a volunteer or enrol in accredited learning.

Engagement	INPUT	Friendly, supportive safe community environment where people are able to build social connections Group of women
	ACTIVITY	be active Program
HEALTH LITERACY	IMMEDIATE OUTCOME	Lost weight, more people joined, requested additional programs
		Centre expanded program to incorporate; yoga, healthy cooking, skincare advice and preparation on a budget
	INTERMEDIARY OUTCOME	Increased; confidence, self esteem, self respect, pride in appearance, quit smoking, 2 participants joined a gym
FINANCIAL LITERACY		Centre further expanded program and incorporated: shopping skills, visited new places
EMPLOYMENT LITERACY	BONUS OUTCOME	Increased confidence to engage in other personal and skills development activities 1 gained employment, 1 enrolled in full time TAFE course, 3 enrolled in TAFE short courses
		Good role modelling – family eating healthy, children joined gym, partners looking for similar program
	ULTIMATE OUTCOME	Multiliteracies Development: Health, Financial, Employment

- The flow chart of outcomes above from one program that was offered with a small be active grant of \$800 in the outer northern suburbs of Adelaide and below in a “Kids Fitness kitchen” in a centre in Southern Adelaide demonstrates the “value adding” that occurs.

