

Contribution of the Not for Profit Sector

Formal submission from Kids Under Cover

Finances

Kids Under Cover (KUC) is a not-for-profit organisation, established in 1989 as a direct response to a Senate National Inquiry into Youth Homelessness (the Burdekin Report¹). KUC believes that *'every young person has the right to a safe and secure home and a sound education'* (KUC mission)² and works to realise its mission by:

- raising funds to provide accommodation for young people who are homeless or 'at risk' of becoming homeless through accommodation programs; and
- providing young people in KUC accommodation programs the opportunity to access scholarship funds for years 11 and 12 or tertiary study.

KUC programs focus on early intervention and prevention of homelessness. Through these programs, KUC delivers a service that provides young people with the opportunity to experience family life, complete education and maintain a sense of community.

In August 2007, KUC engaged 'The Nous Group' (Nous) to assist them to complete a comprehensive evaluation of their house, bungalow and scholarship programs. The purpose of this evaluation was to ascertain whether the KUC programs are delivering the anticipated benefits to its participants and to identify opportunities for improvement.

The evaluation found KUC's programs, deliver against the core assumptions that underpin its mission. Based on current size and evaluation results, the bungalow program is the most beneficial, delivering an estimated \$5.6 mill per annum in economic benefits to the Australian economy and providing positive social outcomes to the majority of its participants. This financial benefit equates to 279% ROI.

What we provide is a creative form of social housing for at risk young people. This service would otherwise need to be delivered by government at an inflated cost and without the additional benefits that come with Kids Under Cover including: scholarships, volunteering opportunities, corporate engagement etc.

This report was conducted for a number of reasons. Internally, it was about testing the assumption our program has significant impact on the young people

¹ Burdekin, B (1989). *National Enquiry into Youth Homelessness* Human Rights and Equal Opportunity Commission

² Source: Kids Under Cover website, Mission & Values. Available at: www.kuc.org.au

we assist. Externally it was about highlighting to current and future funders the potential for return on any investment they may make in our organisation.

The challenge for the funders is in the ability to benchmark organisations against each other to ultimately establish where their investment is best made.

It is for this reason we need to introduce a standard chart of accounts which will allow for a robust comparison between organisations.

From a relationship with government perspective, I feel the government could do more to recognise the sectors contribution. Too often community sector members approach government with cap in hand begging for continued funding to retain outstanding, much needed community services. Short term funding does not allow a NFP to embark on long term strategies which effect the efficiency and effectiveness of the organisation.

HR

Gaps in funding create a resource gap which needs to be filled by existing staff. This leads to job pressure and overall dissatisfaction. This coupled with wage gaps between NFP and private sector mean a high level of staff turn over.