

Submission Response to the Draft Report on the Contribution of the Not-for-Profit Sector released 14 October 2009





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JURISDICTION

The **Cerebral Palsy League (CPL)** is the largest non-government service provider for Queenslanders who have physical disability and provides a range of services throughout the state. Services are accessed by children and adults with cerebral palsy and related disabilities and their families / carers. The League's vision is to have

a community which actively seeks and supports the contribution of people with a disability.

Our purpose is to provide services and advocate for people with physical disability to:

- Maximise independence and opportunities;
- Promote physical and emotional well being;
- Enhance social and economic participation; and
- Support the achievement of a fair and fulfilling life.

The organisation has grown, from its initial small inception 1948 by a group of parents of children and concerned citizens to one – some sixty years on – being an organisation that expends some \$68m on providing vital services to assist some 10,000 (active and inactive) clients. Currently we assist 1,500 children and 2000 adults and their families/carers to achieve their life goals. Many of these 3,500 clients and their families have English as their second language.

The CPL employs approximately 1500 staff to assist in the delivery of innovative services to meet the needs of our client population across the state with special consideration being given to the difficulties of service access to those people who have disability and who are living in rural and remote regions and also those people from culturally and linguistically diverse backgrounds.

The CPL whose central office is based in New Farm, Brisbane, has several regional centre's for child and adult services throughout Queensland and it also provides an outreach program within each region and throughout the state. The pivotal regional centres are located at: Gold Coast, South West; Brisbane South; Brisbane North; Sunshine Coast; Wide Bay, Townsville and Central Queensland. League services are also provided in rural and remote places such as Mt Isa, Torres Strait and Cairns. Major client focused services include:

- Access Employment Services are based in Brisbane North, Brisbane South, Southport, Caboolture and Ipswich.
- Day Service Centres are based in Moorooka, Windsor, Ashgrove, Redcliffe, Springfield, Capalaba, Toowoomba, Rockhampton, Maryborough, Labrador, and Gladstone.
- Supported Employment Services are based at Tingalpa, Rocklea, Brisbane City, and Strathpine.
- Adult Accommodation Services are based at Fig Tree Pocket, Brown's Plains, Moorooka, Alderley,
 Maroochydore, Southport, Toowoomba, Kawangan, Urangan, Maryborough, and Rockhampton. Note



that these locations are where offices are and not where services are located. Accommodation models supported include independent living, living with families, living with friends, cluster accommodation and congregate settings. Staff who support people with disability operate by way of individualised support plans and promote positive personal outcomes.

- Practice Support and Knowledge Management across all regions and includes specialised
 occupational therapy, physiotherapy, speech pathology, social work, health support, disability support
 and psychology.
- **Engagement and Service Capability** The E&SC team, through the CPL Quality Management Framework, performs a range of activities directed towards the continuous improvement and development of regional services.
- Public Policy, Research, Evaluation and Ethics Provides comprehensive input into public policy at local, state and national levels as well as multidisciplinary research. CPL's Ethics Committee is also registered with the NHMRC.
- Child and Family Support Services are based at Ipswich, Mt Gravatt East, Strathpine, Southport and Maroochydore, Toowoomba, Maryborough, Hervey Bay, Rockhampton, Gladstone, Townsville.
- Health Services South Brisbane including Gold Coast; North Brisbane including Sunshine Coast; Central Queensland including Hervey Bay, Maryborough, Gladstone, Rockhampton, Townsville, Toowoomba and South East Country.
- Children's Outreach Services are based at, Kingston and Townsville, Toowoomba, Maryborough, Hervey Bay, Rockhampton, Gladstone.

The CPL recently achieved certification under ISO 9001, covering the whole organisation. In addition, employment and business services are certified under the DES quality system. The CPL is currently certified as a Quality Assured organisation under Queensland Disability Sector Quality System, Commonwealth Disability Services Standards, and AS/NZS ISO 9001-2000.

SIGNATURE

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Response to the <u>Draft Report Recommendations</u> on the Contribution of the Not-for-Profit Sector

METHODOLOGY

The evidence for this submission has been gathered by:

- Consultation, focus groups and discussions with managers, supervisors, staff and clients of Cerebral Palsy League;
- Consultation with Client Consultative Committee and the Parents and Guardian's Committee
- Document analysis from various Government and Community Reference Groups;
- Participation in a Round Table Discussion with the Productivity Commission and hosted by QCOSS;
- Work-shopping the proposed Position Statement and making adjustments where necessary;
 and
- Research identifying international benchmarks.

1.0 POSITION STATEMENT

1.1 This Position Statement is in response to the Productivity Commission's Draft Report on the Contribution of the Not-for-Profit which was released October 14 2009.

Cerebral Palsy League recognizes the Productivity Commission's (PC) Draft Report from the commissioned study into the *Contribution of the Not-For-Profit Sector* (NFP's) as an excellent and welcomed first step towards enhanced, streamlined, and less complex processes to enhance operations in the NFP sector. Once established NFP's can get on with the work of providing innovative, direct service delivery efficiently and effectively, with maximum intended outcomes and impacts in terms of social inclusion and cultural and environmental wellbeing in Australia.

While it is important for the NFP sector to be reformed it is also pertinent to cautiously move forward with the recognition that difference and innovation are given more importance than homogenising practices across the sector. Therefore it is important to respect the independence and autonomy of the NFP sector while amending onerous reporting requirements associated with government funding.

Cerebral Palsy League's suggestions against the *Draft Report's Recommendations'* are now outlined.



2.0 ADDITIONAL SUGGESTIONS AGAINST PRODUCTIVITY COMMISSION'S RECOMMENDATIONS

2.1 Productivity Commission Recommendation 5 - Building a better knowledge base

2.1.1 Measuring Outcomes, Impacts and making data available to NFP's

- Gather better data on the NFP sector and make that available to the sector for its own development;
- Identifying existing data sources that can be linked to outcome/impact evaluation thereby negating the need to collect the same data for multiple agencies. For example <u>www.data.australia.gov.au</u> has a range of data sets that could be linked.
- Fund a study to identify within NGO clusters the best way of measuring outcome and impact and identify standard measurements that can be benchmarked within and outside of the NFP. This should involve Australian Institute of Health and Welfare representatives;
- Gathering better data on the non profit sector and making that available to the sector for its own development;
- Establish indicators of social inclusion in local geographic areas for planning and evaluating community services. For example these indicators could include: poverty and low income, lack of access to job market, limited social supports and networks, effect of the local neighborhood, exclusion from services, health, demographic data, health data, disability data, unemployment, social capital many of which are already collected by ABS.

2.1.2 Technology

- The role of information and communications technology has been overlooked in the Draft Report and this will need to be addressed to improve the delivery of government funded services.
- Digital technology must be central to any attempt to improve the efficiency of the NFP sector.

3.0 Productivity Commission Recommendation 6 - Smarter regulation on the not-forprofit sector

3.1 Regulation

- Establish a cohesive regulatory framework.
- Redefine NFP's by way of categories and then identify pertinent regulation for that particular activity category (i.e. Social Services, Culture and Recreation, Health, Environment, Religion etc.). The regulation would then have more meaning and relevance for the NGO cluster for which it is intended.
- Establishing a Register for Community and Charitable Purpose Organisations and providing a cohesive national regulatory framework;
- NFP's are not just seen as a "black-hole" but need to demonstrate business acumen, practical and pragmatic outcomes and impacts;
- Acknowledgement that NFP's, unlike private profiteers are more trusted and



mission directed;

3.2 Social Inclusion

 Expanding the application of charitable status to include the broad range of non profit organisations that work towards the goal of social inclusion.

4.0 Productivity Commission Recommendation 7 - Realising funding opportunities for the sector

4.1 Funding, Engagement and Contracting

- Recognise the enhanced capacity and contribution of organisations that are well governed, by providing financial support for training boards and management in the NFP sector
- Increase funding to cover wages at market rates and legitimate administrative and organisational costs
- Funding the full costs of services based on independent assessments of those costs, as well as the reporting and evaluative processes that funders require of the sector.
- Provide a range of funding along a continuum from direct to block funding;
- Providing a portal for information around self-directed funding as this policy shift is imminent;
- Less accountability
- More streamlining
- Data sets linked to avoid doubled up reporting
- Accountability in some instances requires more financial input than the service itself
- More reporting on the difference NFP's make is required
- Service provided is always within quality frameworks and decisions need to be made in terms of where the quality frameworks will lie – state, federal etc
- Agreed Risk frameworks
- Career Structures
- Proper qualifications
- Categorising NFP's and regulation will assist in the paper burden for smaller NFP's
- Standard Charter of Accounts
- Support a National Register for NFP's
- Reducing red tape and paper burden
- The proposed reforms would bring together the multiplicity of governance, taxation, and fundraising regulatory requirements to create a much stronger foundations for this expanding sector.
- By reducing the compliance costs and burdens NFP's can bring increased gains in service delivery efficiency and effectiveness



Productivity Commission Recommendation 9 - Facilitating social innovation and sector development

5.1 Innovation in Social Enterprise and data sources

- There is a need to develop a Social Enterprise Action Plan
- Provide an Innovation Fund
- Actively develop the sector through easing access to capital for social enterprise programs
- Actively developing the sector through easing access to capital for social enterprise programs; and increasing funding to cover wages at market rates and legitimate administrative and organisational costs;
- Examples of Social Enterprising include but are not limited to:
- 1. Cross fertilization linking NFP's with community and corporates
- 2. Integrating local knowledge with existing Government data to enhance service delivery and planning
- 3. Providing local community directory central data base
- 4. Providing a central link / portal for every new family with a newly diagnosed child with disability;
- 5. Providing a central link/ portal for people to be able to navigate services available to them in their community. Information could include: Regions where services are delivered, type of services, flexibility of service delivery, cost of services, policies and procedures, contact details etc. .
- 6. Establish a data base of services that have been funded in a particular community/region in order to enable people to know where they can seek assistance;
- 7. Establish a data base on Disabled Parking Permits provided, number of disability parking spaces and Vehicle Modifications, and wheelchair accessible vehicles available to a particular region/community
- 8. Provide a portal for up-to-date information that has to be retrieved from Government sources when preparing submissions or reports associated with NFP activities. For example www.edna.edu.au

6.0

Productivity Commission Recommendation 10 - Sustaining the not-for-profit workforce sector development

6.1 Paid Workforce

- Central workforce data gathering and analysis
- Job review, redesign in response to data/trends identified
- Targeted marketing campaign for the NFP sector
- Professionalization and career paths established
- Establish processes for recruitment that include information sessions, job trial and ongoing contract
- Provide greater surety in hours
- Improve professional development and support
- Provide funding for induction training



6.2 Volunteers

- Volunteers should be nationally streamlined and made portable across the jurisdictions
- A growth area for the NFP volunteer sector is in the contribution that overseas students wish to make to the sector and this requires social marketing and monitoring;

7.0 Productivity Commission Recommendation 11 - Improving the effectiveness of direct government funding

7.1 Reporting

- Respecting the independence and autonomy of not-for-profit organisations while amending onerous reporting requirements associated with government funding.
- Central management of the pending National Disability Insurance Scheme

8.0 Productivity Commission Recommendation 12 - Removing impediments to better valve government funded services

8.1 Taxation

- There is a need to acknowledge the vital importance of a gradual process for tax reform within the NFP sector
- Remove the legal treatment of non-profits
- The issue of taxation for the NFP sector, especially the application of the FBT. Attracting the right staff in a competitive market is difficult for the NFP sector. FBT needs to be continued for this sector given that wages are lower than the government sector;
- Where people give to NFP's for a specified purpose (i.e assistance with a gap payment for a wheelchair for a person in a particular community) do not have the tax deductible privileges under the current legislation and this needs to change.

9.0 Productivity Commission Recommendation 13 – Building stronger, more effective relationships for the future

9.1 Government and NGO partnerships

 Ensuring that agreements (like Compacts between government and the sector0 are more than just words through the use of robust mechanisms for implementation, monitoring and evaluation.

9.2 Quality Standards

Harmonisation of Quality Standards is required

