Implementation of the Strengthening Community Organisations Action Plan

Victorian Auditor-General’s Report
Tabled 16 October 2013
The Victorian Auditor-General’s Office

- **Purpose** – assurance to Parliament on the accountability and performance of the Victorian public sector.

- **Legislation** – *Audit Act 1994* defines powers and responsibilities of the Auditor-General and the Victorian Auditor-General’s Office.

- **Mandate** – financial and performance audits of around 550 entities.
Background to the audit

Community, or not-for-profit (NFP) organisations, are a significant provider of services including:

- health
- education
- aged care
- social services
- sport and recreation.

In 2011–12, community organisations delivered approximately $3 billion in government programs funded through grants or service payments.
In 2007, the government commissioned two reviews:

- *Not-for-Profit Regulation*, State Services Authority
- *Stronger Community Organisations Project*

Both included recommendations related to:

- legislative reform
- streamlining service agreements and grants
- capacity building
- improving collaboration and coordination.
Strengthening Community Organisations Action Plan

- **Objective:**
  - **$13.8 million four-year action plan released in 2008 in response to government commissioned reviews.**

- **Objectives:**
  - Ensure that in its direct interactions with community and non-profit organisations, government acts in ways which are simple, easy to navigate and designed to optimise value to the community.
  - Create an environment for community organisations to also invest in their own capabilities and long-term sustainability.
### The Victorian Government’s Action Plan: Strengthening Community Organisations

Twenty-five actions across five themes

<table>
<thead>
<tr>
<th>Reducing the regulatory burden</th>
<th>Building capacity of community organisations</th>
<th>Supporting innovation and growth</th>
<th>Enhancing the role of community organisations in local community life</th>
<th>Improving cross-sector coordination</th>
</tr>
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</table>

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Victorian Auditor-General’s Office
Office for the Community Sector (OCS) established to:

- lead implementation of the action plan
- lead coordination and implementation of policy priorities across whole of government

**Initial funding**
- $4.9 million in 2008–09 for the three years

**Further funding**
- $4.6 million in 2011–12 until 2014
Audit objective and scope

Objective
Assess the effectiveness and efficiency of the implementation of The Victorian Government’s Action Plan: Strengthening Community Organisations.

Scope
The audit examined:
- whether the action plan was implemented effectively and efficiently, and achieved its intended outputs and outcomes
- the effectiveness of OCS’s ongoing activities.
Conclusions

• OCS:
  • made good progress in implementing the action plan and delivered its main outputs
  • played a valuable role in connecting community organisations and coordinating activities across government.

• Weaknesses with some aspects of planning, implementation and evaluation.

• Overall OCS cannot demonstrate that intended outcomes were achieved or that the action plan was implemented efficiently or effectively.
Findings – Implementation and achievements

<table>
<thead>
<tr>
<th>Themes</th>
<th>Not progressed</th>
<th>Partially completed</th>
<th>Substantially completed</th>
<th>Fully completed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Reducing the regulatory burden</td>
<td>–</td>
<td>2</td>
<td>5</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>2. Capacity building</td>
<td>–</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>3. Supporting innovation and growth</td>
<td>–</td>
<td>–</td>
<td>2</td>
<td>–</td>
<td>2</td>
</tr>
<tr>
<td>4. Enhancing the role of NFPs</td>
<td>1</td>
<td>–</td>
<td>1</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>5. Recognising community organisations and coordination</td>
<td>–</td>
<td>–</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
</tbody>
</table>
Findings – Implementation and achievements – continued

Major achievements of the plan include:

- reforms to legislation affecting NFPs and community organisations
- Not-for-Profit Compliance Support Centre
- Standard Chart of Accounts
- Workforce Capability Framework
- the Common Funding Agreement
Findings – Implementation and achievements – *continued*

- Implementation informed by a program of consultation and community sector engagement.

- Positive overall feedback from community organisations involved in the plan’s implementation.
Findings – Lessons for program implementation

• Implementation plans lacked sufficient detail on time lines, resourcing, risks, monitoring and reporting.

• Governance arrangements were generally effective, although some areas can be improved.

• No evaluation and performance monitoring framework was developed.

• No final evaluation of the action plan was undertaken.
Recommendations

<table>
<thead>
<tr>
<th>Recommendations</th>
<th>Accepted</th>
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</thead>
<tbody>
<tr>
<td>The Office for the Community Sector should apply the lessons learned in implementing <em>The Victorian Government’s Action Plan: Strengthening Community Organisations</em> to its ongoing activities and any future programs by:</td>
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</tr>
<tr>
<td>• developing implementation plans which comprehensively address objectives, outcomes, roles and responsibilities, time frames and resourcing</td>
<td>✔</td>
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<td>• developing a robust monitoring, evaluation and reporting framework supported by relevant and appropriate performance measures and targets</td>
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<td>• undertaking evaluations at the conclusion of programs with a focus on demonstrating the achievement of objectives and outcomes</td>
<td>✔</td>
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<tr>
<td>• developing and applying a sound risk management framework that clearly identifies how risks will be assessed, prioritised and managed</td>
<td>✔</td>
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For further information please contact:

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