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Volume 2 - New South Wales

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Locked Bag 4777
Strawberry Hills, NSW, 2012 Australia
Ph 02 9310 6200 Fax 02 9310 4822
Email: info@acoss.org.au
Website: www.acoss.org.au

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New South Wales

Survey results

The ACSS 2008 was completed by 170 agencies in NSW who provided information about their activities over the financial years 2006-07 and 2007-08.

Service coverage

In terms of geographic coverage, 28.9% of organisations primarily served people in an inner or other metropolitan area. Those organisations operating in regional, rural, or remote areas accounted for 32.3% of all organisations.

Area where service primarily operates	number	percentage
In an inner metropolitan area	21	12.4%
In another metropolitan area	28	16.5%
In a regional centre	30	17.6%
in a rural centre	23	13.5%
In a remote area	2	1.2%
Across a region	21	12.4%
Across a state or territory	14	8.2%
Nationally	8	4.7%
Other	16	9.4%
no response	7	4.1%
TOTAL	**170**	

Service use

Demand for services

In 2007-08 respondent agencies provided services to 1,549,691 people, which is a 23.2% increase on the number of people who received a service in 2006-07 (1,258,176).

In 2006-07 respondent agencies turned away 115,219 people, which is a 50.5% increase on the number of people turned away in 2005-06 (76,540).

Perceptions of demand

Service targeting

When demand for services outstrips the capacity to supply these services, many organisations will implement tighter targeting measures as a way of limiting this demand, and utilising constrained resources in the most equitable manner. Governmental policy, through funding and other arrangements, can also require that organisations target their services more narrowly.

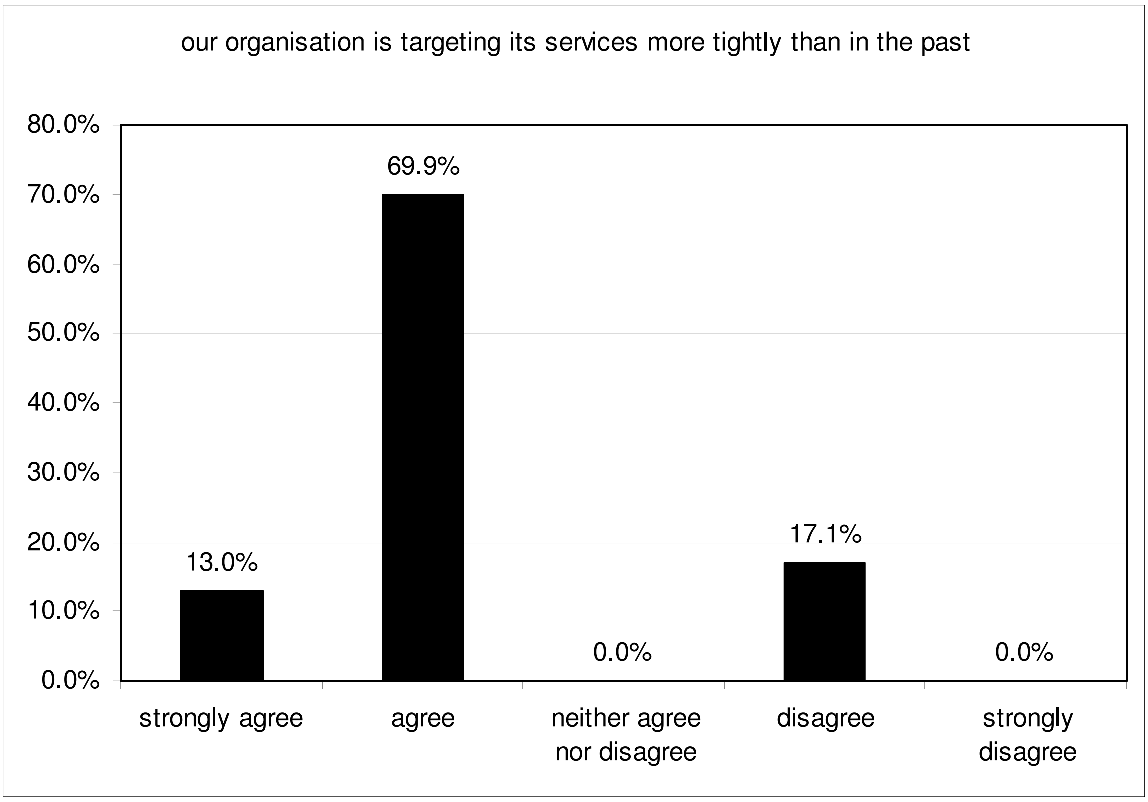
With more tightly targeted service delivery aimed at rationing finite resources, many organisations will experience increased complexity in client needs. This increased complexity can have a significant impact on organisational workloads if appropriate resources are not made available.

Any change in service targeting is, therefore, an important gauge of both demand for services, and organisational resources relative to this demand.

Eighty four per cent of respondents agreed that their organisation was targeting services more tightly than in the past.

Figure 2.1: Targeting services: proportion agree/disagree with statement: 'our organisation is targeting our services more tightly than in the past' (NSW)

N= 123



What services are needed?

Agencies were asked to list, in priority order, the services most needed by their clients (other than the services provided by their own agency).

Health services (including mental health and drug and alcohol services) and long term housing were clearly identified as the services most needed by the clients of community service and welfare agencies.

Table 2.1: Client need by service type 2006-07 (NSW)

N= 63

Service type	Ranking score[1]	Number of times ranked most important	% of respondents who ranked this service in the top five most important
Long term housing	1	14	75%
Health care (including mental health and drug and alcohol services)	2	8	79%
Aged and disability services	3	11	45%
Crisis and supported accommodation	4	7	64%
Income support	5	5	59%
Employment, education and training programs	6	5	42%
Transport	7	4	42%
Family relationship services	8	5	37%
Assistance with the cost of utilities (energy, water, telecommunications)	9	1	19%
Cultural, arts, recreation, sporting, information and social activities	10	0	29%
Domestic violence/ sexual assault services	11	2	29%
Child welfare services	12	0	19%
Legal services	13	1	17%
Child care	14	0	16%

[1] Ranking is determined by adding the number of times respondents marked a service type as the most important, second most important and third most important.

Delivery

Character of the workforce

Paid staff

In 2007-08 respondent organisations employed 8,174 paid staff (Full Time Equivalent).

Volunteer staff

In 2007-08 respondent organisations engaged 5,924 volunteer service delivery workers.

Larger organisations tend to have a larger proportion of paid staff, although organisations of all sizes still utilise large numbers of volunteers.

It is noteworthy that organisations of all sizes are governed primarily by volunteer boards.

Staff hiring and leaving

There was an overall increase of 227.3 Full Time Equivalent (FTE) employees working in respondent organisations during 2007-08. This represents an increase of 7% on the total number of paid staff.

Table 2.3: Staff hired and left 2007-08 (NSW)

Employee category	Hired (FTE)	Left (FTE)	Difference (FTE)
Management	166	127	39
Service worker	1041.85	945.5	96.35
Clerical/administration	276.45	184.5	91.95
Total	1484.3	1257	227.3

Staff turnover

Staff turnover is a function of the number of staff leaving over the number of staff employed. In 2007-08, respondent agencies employed 1484 full time equivalent staff and lost 1253 full time equivalent staff. Average staff turnover across respondent agencies is therefore equivalent to 38.8%.

Additional work

One way that agencies can increase the capacity of agencies to meet excess demand, is to try to squeeze more out of existing resources, which includes the use of increased volunteer and unpaid staff labour. Fifty seven per cent of respondents agreed that they had increased the number of paid hours worked by staff in 2007-08. Eighty four per cent of agencies agreed that the unfunded work by staff and volunteers had increased between 2006-07 and 2007-08.

Figure 2.5: Use of paid work: proportion agree/disagree with statement: 'this year we have increased the number of paid hours worked by staff' (NSW)

N= 113

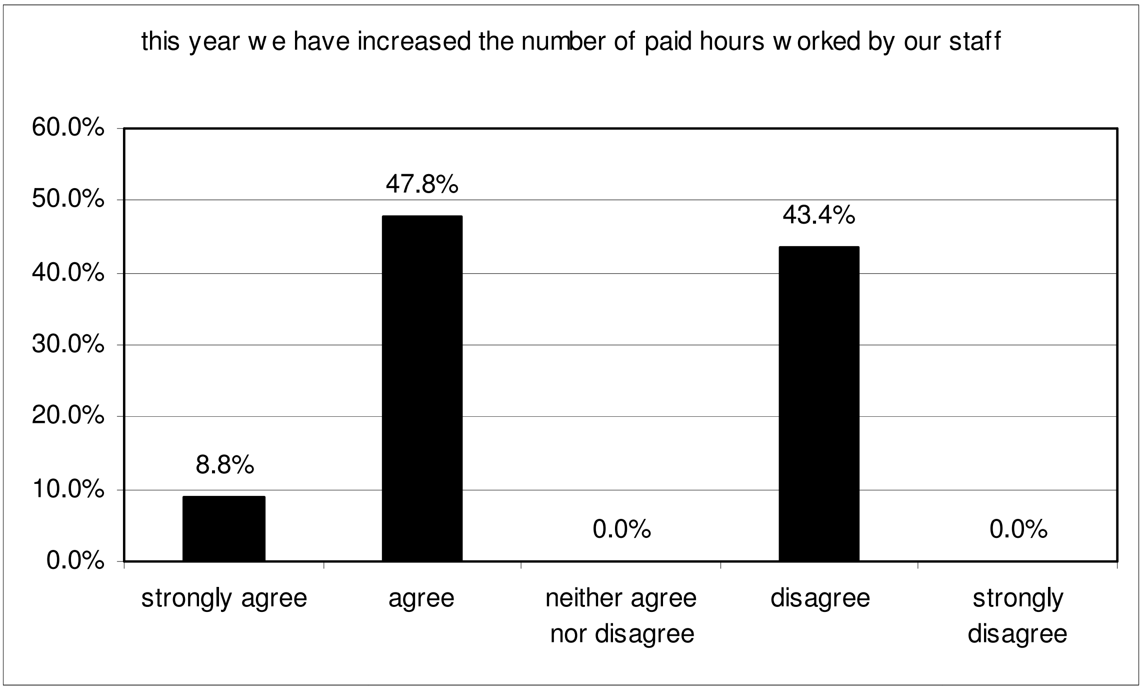
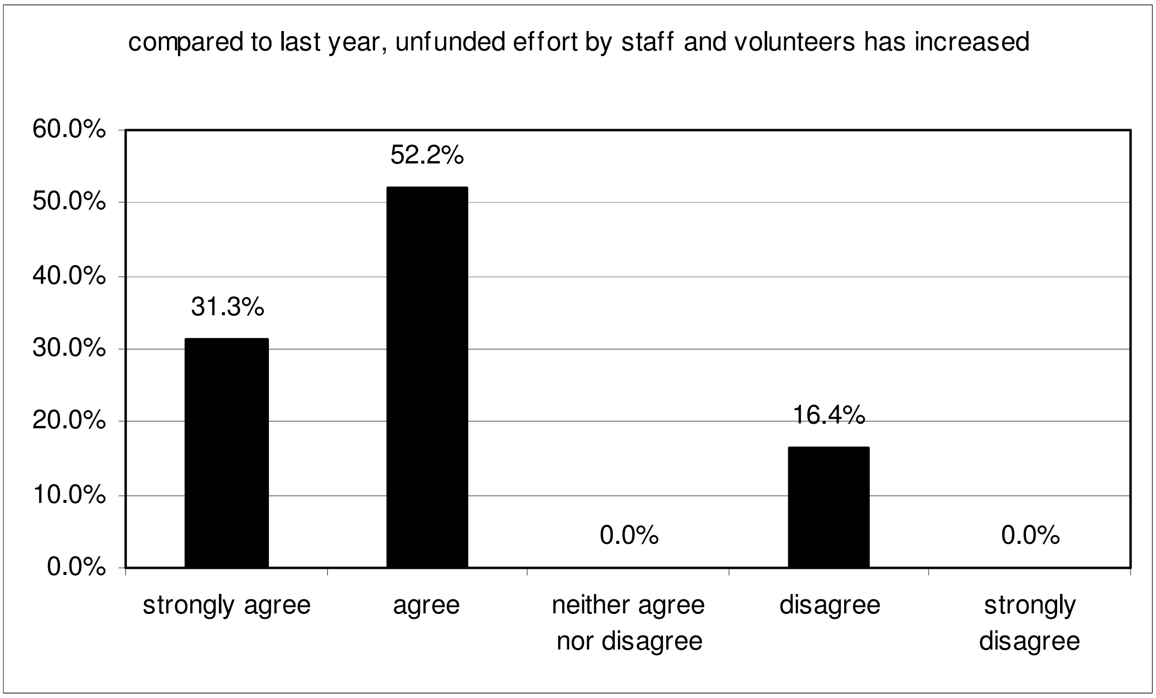


Figure 2.6: Use of unpaid work: proportion agree/disagree with statement: 'compared to last year unfunded work by staff and volunteers has increased' (NSW)

N= 134



Attracting appropriately qualified staff

Sixty three per cent of respondents indicated that they had experienced difficulty attracting appropriately qualified staff in the past year compared to 37% who had no difficulty.[2]

[2] N=71.

Income and Expenditure

The capacity to recruit, pay, train and support a high quality workforce depends largely on the financial capacity of the industry.

As Table 2.4 shows, income has increased over the year by $51.9 million and operating expenses by $14.6 million. This has increased the overall surplus by $37.4 million.

Table 2.4: Income and Expenditure 2006-07 & 2007-08 (NSW)

Year	Total operating expenses[3] ($ millions)	Total income ($ millions)	Deficit/Surplus ($ millions)
2007-08	821.5	892.0	70.5
2006-07	806.9	840.0	33.1
Difference	14.6	51.9	37.4

Income

Agencies have received a 7.4% increase in overall income between 2006-07 and 2007-08. Income has grown across all the major sources with a:

- 16.1% increase in State Government funding, representing 18.5% of total income
- 0.5% increase in Commonwealth Government funding, representing 51.7% of total income
- 5.5% increase in client fee incomes, representing 11.2% of total income
- 1.3% decrease in agency own source income, representing 24.7% of total income
- 10.3% decrease in local government funding, representing 0.1% of total income

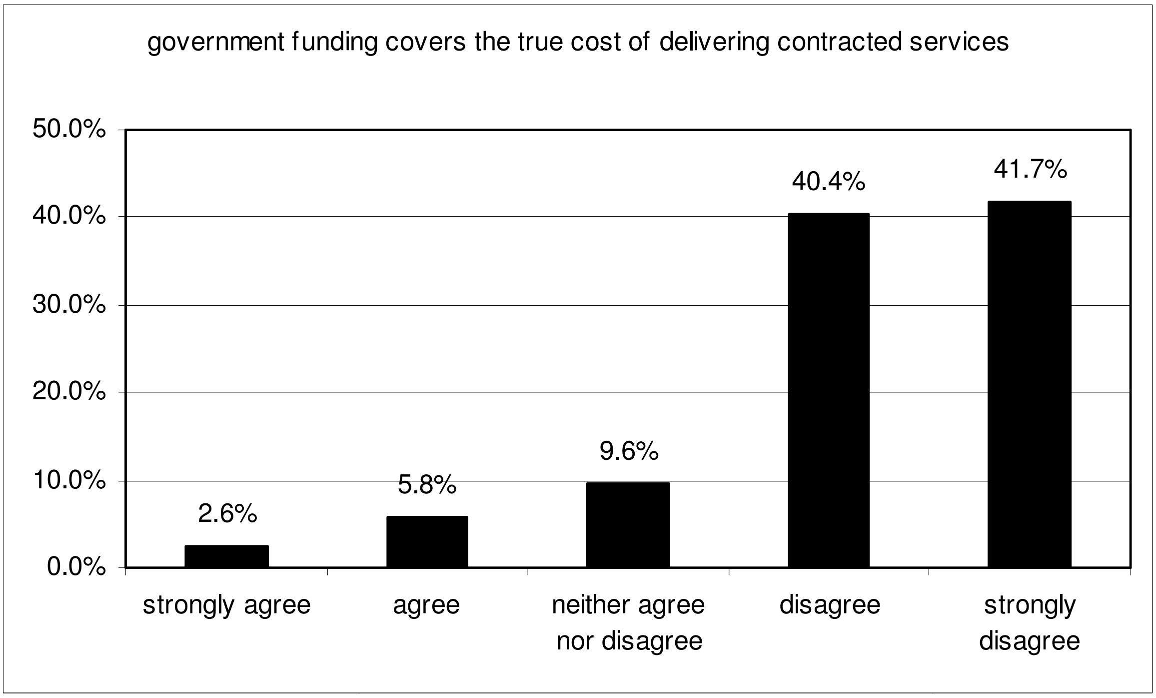
Source	2006-07 (millions)	2007-08 (millions)	% change	% total (2007-08)
Commonwealth Government	459.0	461.3	0.5%	51.7%
State/Territory Government	142.1	165.0	16.1%	18.5%
Local Government	0.5	0.5	-10.3%	0.1%
Client fee income	94.6	99.8	5.5%	11.2%
Own source income*	220.2	223.1	-1.3%	24.7%
Total	**840.0**	**892.0**	**6.2%**	**100%**

Adequacy of Government funding to meet cost of contracted services

Eighty-two per cent of respondents disagreed with the statement that ‘Government funding covers the true cost of delivering contracted services’. Only 8% expressed the view that funding was adequate, with 9% neither agreeing nor disagreeing.

Figure 2.7: Adequacy of Government funding: proportion agree/disagree with statement: ‘Government funding covers the true cost of delivering contracted services’ (NSW)

N= 156

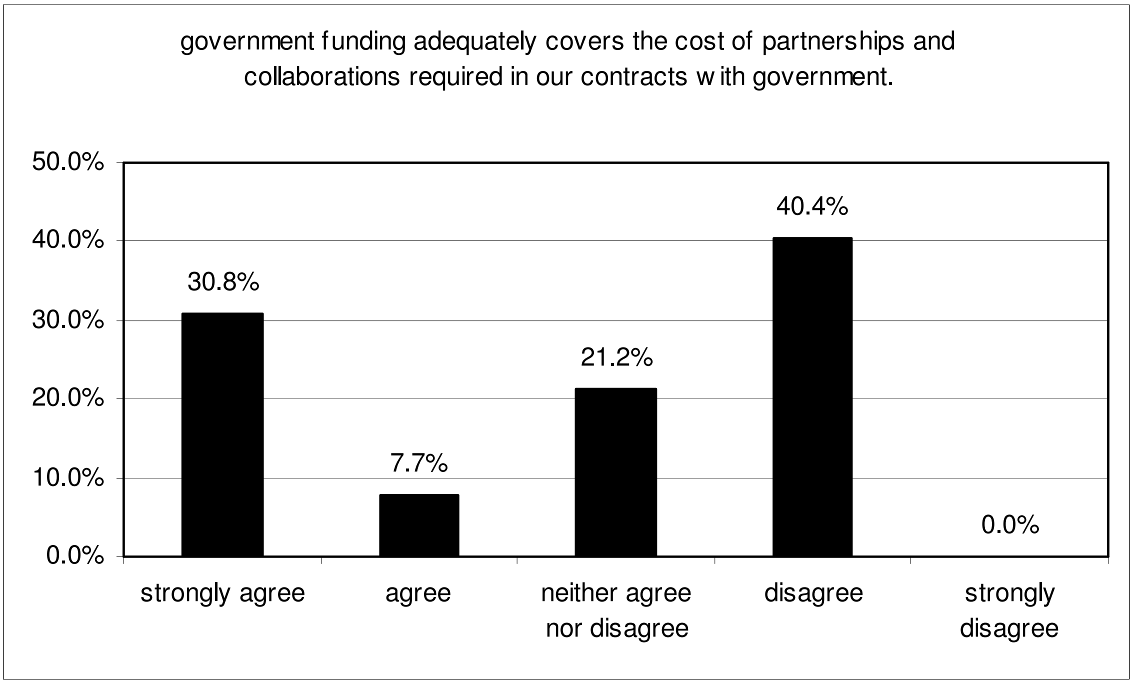


Adequacy of Government funding to cover cost of partnerships and collaborations

Respondents were evenly split on the question of whether their funding adequately covered the costs of partnerships and collaborations stipulated in contracts with Government, with 38% agreeing and 40% disagreeing.

Figure 2.8: Adequacy of Government funding regarding cost of partnerships: proportion agree/disagree with statement: 'Government funding adequately covers the cost of partnerships and collaborations required in our contracts with Government' (NSW)

N= 156

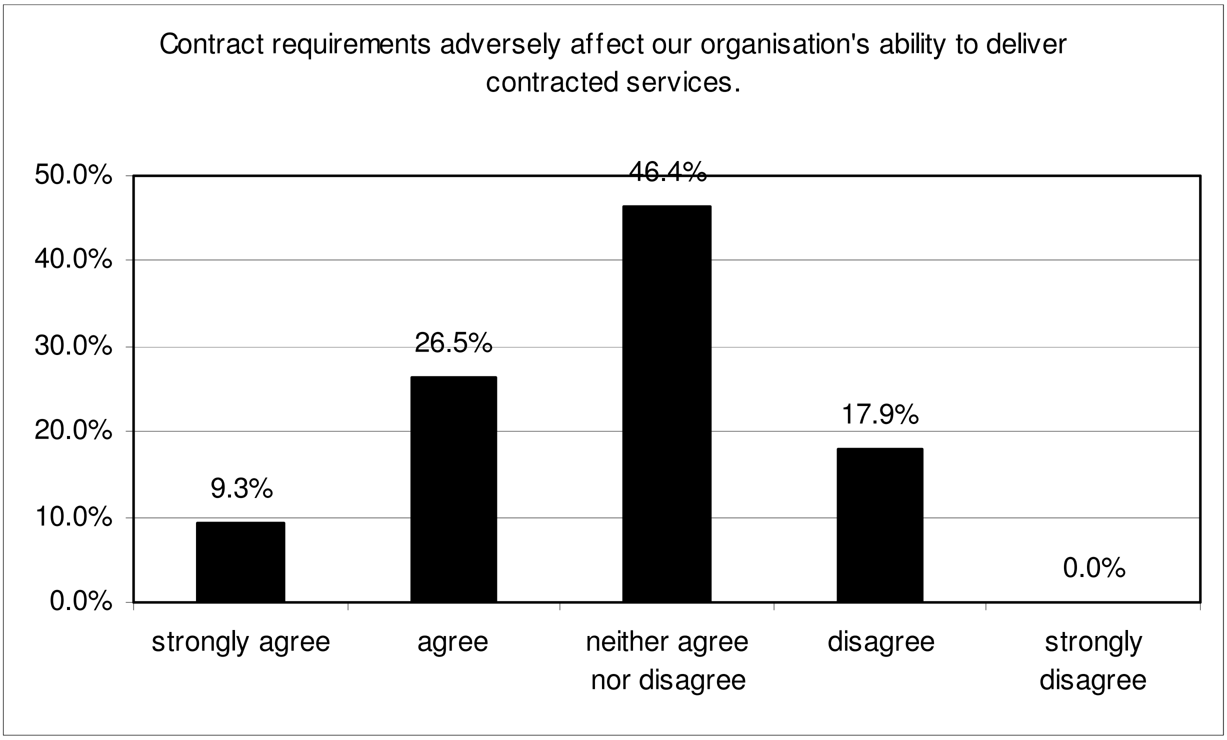


Effect of contract requirements on organisations' ability to deliver contracted services

Thirty-seven per cent of respondents agreed that contract requirements adversely affected their organisation's ability to deliver contracted services, and 17% disagreed with this statement. The remaining 46% neither agreed nor disagreed.

Figure 2.9: Effect of contract requirements: proportion agree/disagree with statement: 'contract requirements adversely affect our organisation's ability to deliver contracted services' (NSW)

N= 151

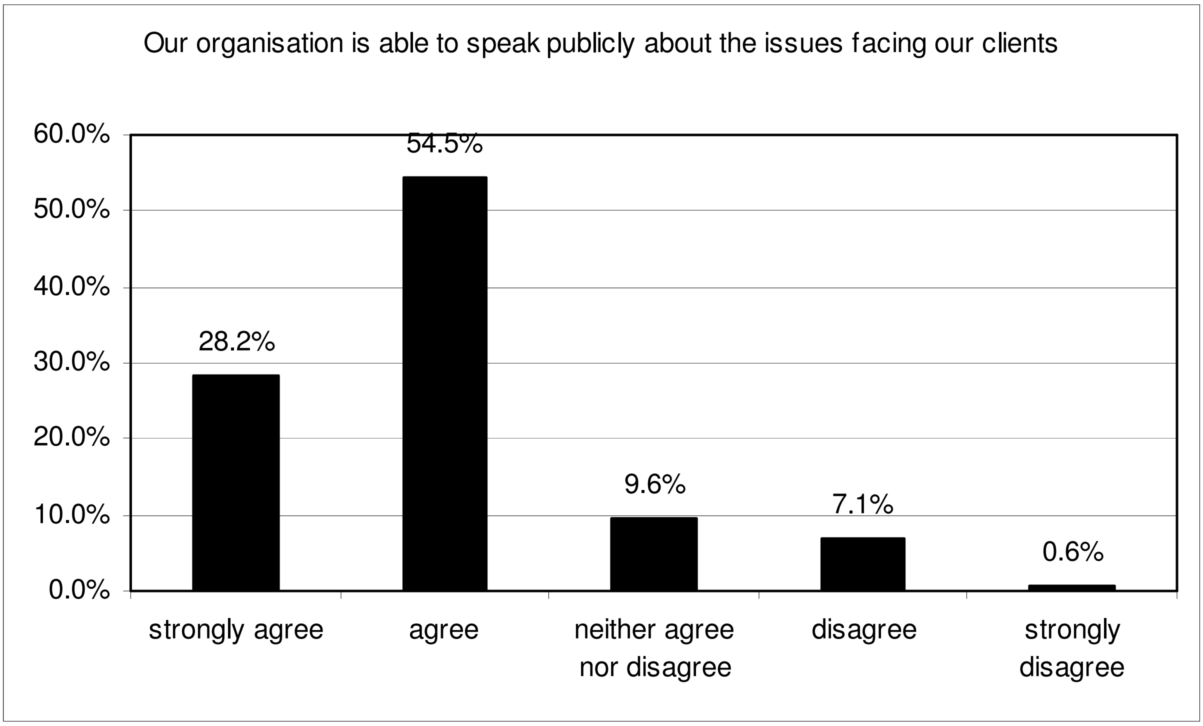


The advocacy role of community organisations

Of the 156 respondents to this question, a clear majority (82%) indicated that they were able to speak publicly about issues affecting their clients. Only 7% disagreed and another 9% neither agreed nor disagreed.

Figure 2.10: Ability to speak publicly: proportion agree/disagree with statement: 'our organisation is able to speak publicly about the issues facing our clients' (NSW)

N= 156



Tax Status

The tax concessions available to community service organisations depend on the purposes and activities of individual organisations and on how the Australian Taxation Office and State Government entities interpret the law governing charities and related organisations.

Tax concessions can be very valuable to individual organisations, running from exemptions from paying income tax to Fringe Benefits Tax (FBT) exemptions which enable employers to offer employees 'salary packages' which include untaxed non-cash benefits.

Status as a Public Benevolent Institution attracts particularly generous concessions, including exemptions from FBT. Status as a Deductible Gift Recipient (DGR) not only makes gifting to these organisations attractive but is a pre-condition for funding by most philanthropic bodies.

The tax status of survey respondents is mixed with 30.2% of organisation reporting having PBI or DGR status or both, 44.2% reporting that they were an Income Tax Exempt Charity (ITEC) only, and 5.8% reporting that they had none of these statuses.

Table 2.6: Tax status (NSW)

Tax Status	Number of organisations	Percentage
ITEC	38	44.2%
ITEC, PBI, & DGR	15	17.4%
PBI	15	17.4%
DGR	6	7.0%
PBI and DGR	5	5.8%
ITEC and PBI	2	2.3%
None of the above	5	5.8%
Total	**86**	**100%**

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Australian Council of Social Service (ACOSS)
Level 2, 619 Elizabeth Street, Redfern NSW 2016
Locked Bag 4777, Strawberry Hills NSW 2012
Phone: 02 9310 6200   Fax: 02 931 0 4822
Email: info@acoss.org.au   Internet: www.acoss.org.au