

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.



Background to the audit – *continued*

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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

- \$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

**Reducing the
regulatory
burden**

**Building
capacity of
community
organisations**

**Supporting
innovation
and growth**

**Enhancing
the role of
community
organisations
in local
community
life**

**Improving
cross-sector
coordination**



Office for the Community Sector

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

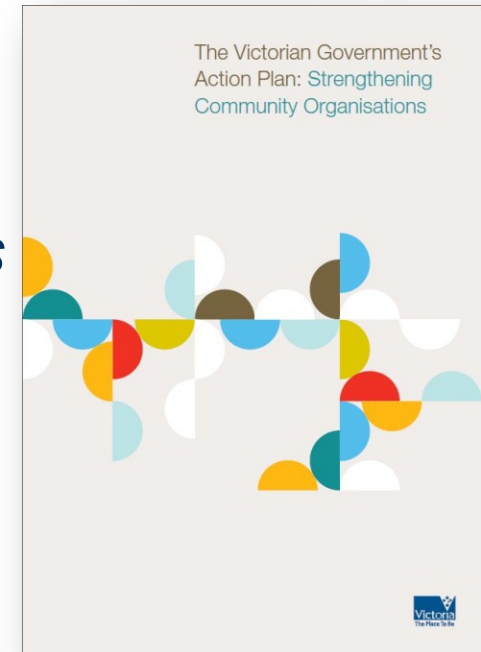
Objective

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

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Themes	Not progressed	Partially completed	Substantially completed	Fully completed	Total
1. Reducing the regulatory burden	–	2	5	4	11
2. Capacity building	–	1	3	1	5
3. Supporting innovation and growth	–	–	2	–	2
4. Enhancing the role of NFPs	1	–	1	2	4
5. Recognising community organisations and coordination	–	–	2	1	3



Findings – Implementation and achievements – *continued*

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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*

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- 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

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- 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

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Recommendations	Accepted
<p>The Office for the Community Sector should apply the lessons learned in implementing <i>The Victorian Government's Action Plan: Strengthening Community Organisations</i> to its ongoing activities and any future programs by:</p>	
<ul style="list-style-type: none"> developing implementation plans which comprehensively address objectives, outcomes, roles and responsibilities, time frames and resourcing 	✓
<ul style="list-style-type: none"> developing a robust monitoring, evaluation and reporting framework supported by relevant and appropriate performance measures and targets 	✓
<ul style="list-style-type: none"> undertaking evaluations at the conclusion of programs with a focus on demonstrating the achievement of objectives and outcomes 	✓
<ul style="list-style-type: none"> developing and applying a sound risk management framework that clearly identifies how risks will be assessed, prioritised and managed 	✓



Contact details

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