



## 2016/17 State Budget Analysis: Community Services

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TasCOSS provided advice to the State Government to assist it to work towards the following outcome:  
**Community service organisations maximise client outcomes.**

### Analysis

The budget met all its commitments to the projects funded in last year's post-election budget and the Government's commitment to fund the Equal Remuneration Order supplementation. It also continues to provide indexation of 2.25% on DHHS-funded grants.

In addition to the large investment in affordable housing, the Budget also contained some welcome community sector initiatives that represented new investment (that is, not recycled announcements). And it is worth noting that this Budget includes all the investments made to implement the Family Violence Action Plan, announced in August 2015.

However, the Government ignored a significant request which came from the sector—for support to deal with the huge reform programs and structural changes the sector is dealing with.

The Tasmanian community sector is a significant part of the Tasmanian economy. Employing around 10,000 workers, the sector represents just under 4% of the Tasmanian workforce. The sector is undergoing significant changes in service delivery models as well as facing increasing demand and higher expectations of services. Parts of the sector are being opened up to full marketisation and services are reporting significant problems with maintaining viability and a loss of skilled staff due to funding uncertainty; they are also struggling with concerns around the management of cash flow, debt management and client relationship management. The transition from block funding to fee-for-service is potentially disastrous for not-for-profit organisations whose funders have prevented them from building up cash reserves.

Similar periods of transition in industries such as primary industry or manufacturing have attracted Government support or transition packages. The risk for Government, and the community, of withholding transitional support are significant. There is a real risk that organisations will fold, leaving clients without service.

TasCOSS requested funds for a *Strategic Partnership Fund* for the sector, to be managed by DHHS.

### Initiatives

Twenty million dollars have been allocated for the redesign of the Child Protection system (over four years). This is the first stage of the redesign of services for children and young people at risk, called *Strong Families, Safe Kids*. The Department of Education will receive a quarter of these funds (\$5 million). The funds include \$3.6Million to refocus intake services into an Advice and Referral Service which it is hoped will provide early access and integrated support to children and families. They also include \$8.5Million to support the establishment of child safety teams. In addition, there is one-off

funding of \$550k allocated to improve the Child Protection Information System—it is hoped this will improve data integration.

The North West is to get \$6Million over two years to build a supported youth accommodation facility in Devonport, with specialist support services. The housing will be able to provide housing for 25 young people who are homeless, or at risk of homelessness and it will include accommodation options suitable for young people who are living with a disability.

An important item in the budget is additional funding of \$3Million over the next four years to support the *Rethink Mental Health Plan 2015-2025* and the government's strategies for suicide prevention (including the *Tasmanian Suicide Prevention Strategy 2016-2020*, the *Youth Suicide Prevention Plan for Tasmania 2016-2020* and the *Suicide Prevention Workforce Development and Training Plan for Tasmania 2016-2020*). The money is to be prioritized for primary health and peer workforce initiatives, and to implement the Safe Wards model in public mental health services. While there are gaps in what we would like to see, it is a positive to see funds allocated to the *Rethink* strategy.

The struggle faced by rural families has been acknowledged—an additional \$135k has gone to the Rural Financial Counselling Service over the next three years, and Rural Alive and Well is to receive \$569k extra funding in 2016-17 for outreach services.

Neighbourhood Houses get a further injection of funds, translating as \$30k for each House over a two year period (\$990k over two years across all the Houses). However, this is funding is one-off.

### Gaps

TasCOSS is disappointed that the Government has made no provision to support the sector in this period of intense change. In this budget round TasCOSS called for a *Strategic Partnership Fund*, to be managed by DHHS. The Fund would provide organisations with resources for legal and accounting advice to develop partnership agreements, contracts or business plans. It was suggested that this partnership fund be similar to the resource-sharing funding program offered to local government to help councils identify cost savings. However, no funds were allocated for this or any similar initiative.

There is a lack of investment in preventative health across the budget, and this is also clear in the allocations to mental health initiatives. More money is needed for mental health promotion, illness prevention and early intervention initiatives that focus on mental health and wellbeing.

This financial year is the last for the Joined Up Services initiative. Although this initial work was intended to inform the roll-out of a Joined Up Services support system, there is no allocation in the budget of funds for the implementation of the findings of the project. The Budget papers state the work is to be absorbed within current allocations.

There has been a reduction in funding for the Quality and Safety team within DHHS so their performance measures have been adjusted—this means, they will be doing less reviews. Given that for some organisations this is the only Quality accreditation process they are involved with, it signals a reduced commitment by Government to continuous service improvement within the organisations from which it contracts services.



INTEGRITY  
COMPASSION  
INFLUENCE

There are 52 children on the waiting list for the Family Violence Counselling and Support Service Children and Young Persons Program<sup>1</sup>.

For more information, please refer to [TasCOSS's 2016/17 Budget Priorities Statement: Community Services](#)

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<sup>1</sup> Budget Estimates Committee B, Wednesday 8th June 2016,  
<<http://www.parliament.tas.gov.au/ParliamentSearch/isysquery/6b5d6c37-ecfb-4294-a4e2-6b312692dcc2/1/doc/>>