



A sustainable industry for all Tasmanians

TasCOSS 2025/26
Budget Priorities Statement



About TasCOSS

TasCOSS's vision is for one Tasmania, free of poverty and inequality where everyone has the same opportunity. Our mission is two-fold: to act as the peak body for the community services industry in Tasmania; and to challenge and change the systems, attitudes and behaviours that create poverty, inequality and exclusion.

Our membership includes individuals and organisations active in the provision of community services to Tasmanians on low incomes or living in vulnerable circumstances. TasCOSS represents the interests of our members and their service users to government, regulators, the media and the public. Through our advocacy and policy development, we draw attention to the causes of poverty and disadvantage, and promote the adoption of effective solutions to address these issues.

Please direct any enquiries about this submission to:

Adrienne Picone, Chief Executive Officer
(03) 6231 0755
adrienne@tascoss.org.au

Table of Contents

Summary of Investment Proposals	4
Executive Summary.....	5
Community Services Industry Sustainability Initiatives.....	6
1. Funding Certainty.....	7
2. Sustainability Program.....	7
3. Shared Coordination of a Cross-Sector Network for the Safety and Wellbeing of Children and Young People .	8
4. Update of The State of Tasmania’s Community Service Sector Report	8
5. Tasmanian Community Services Industry Plan (2021-31) Mid-Term Review	9

Summary of Investment Proposals

In the 2025/26 Tasmanian State Budget, TasCOSS seeks an investment from the Tasmanian Government to deliver:

1. Funding Certainty

- a.* Minimum five year funding contracts to be implemented at the commencement of the 2025/26 Financial Year, to give certainty to community organisations and enable them to retain staff and make longer-term strategic financial decisions that will allow them to invest and innovate.
- b.* A transparent indexation formula for all community service organisations, developed in consultation with our industry and reflective of industry costs.
- c.* Outcomes-based funding framework to be implemented at the commencement of the 2025/26 Financial Year, that in time will inform purchasing decisions, contracts and reporting.

2. Sustainability Program

- a.* Consultation with the industry on the development and implementation of initiatives that may include:
 - i.* Best practice standard contracts for community services funding agreements;
 - ii.* Reduced reporting duplications across agencies;
 - iii.* Streamlined standards and quality reporting;
 - iv.* Simplified policy submission processes; and
 - v.* Shared corporate services, such as insurance, information technology, human resources and finance.

3. A Network for the Safety and Wellbeing of Children and Young People

- a.* Shared coordination of a cross-sector network delivering outcomes, such as:
 - i.* Coordinated responses to policy and legislative development relating to children and young people, providing a central point of contact for governments to consult with the industry, where appropriate;
 - ii.* Cross-sector support for community organisations to engage in and share research, resources and development opportunities; and
 - iii.* Promotion of consistent, evidence-based practice across community organisations, particularly those working in different (but related) settings.

4. Ten Year Update of The State of Tasmania's Community Service Sector Report

- a.* Update [*The State of Tasmania's Community Service Sector Report*](#) (2015) to determine how the industry is changing. An updated report will inform initiatives to develop industry capacity, effectiveness and sustainability.

5. Tasmanian Community Services Industry Plan (2021-31) Mid-Term Review

- a.* Undertake a review that examines current and projected impacts, as well as the priority pillars, to ensure the Industry Plan is fit-for-purpose in delivering the outcomes both the Government and industry agree are important.

Executive Summary

TasCOSS welcomes the Tasmanian Government's commitment to extensive reforms to protect Tasmanian children from abuse. This includes working in collaboration with communities and organisations across the state to implement policy and legislative reform, as well as embed evidence-based and trauma-informed practice to promote child safety and wellbeing.

We will continue to work alongside the Government in their [Commission of Inquiry into the Tasmanian Government's Responses to Child Sexual Abuse in Institutional Settings](#) Reform Implementation Project, supporting culture and system change across institutions, organisations, community and society to promote and protect the rights of children.

Through this collaboration project, we have identified issues for organisations working in the area of child and family wellbeing that have a broader application for the community services industry. These include:

- **Responding to increased demand and complexity** — how can organisations continue to implement significant changes across the community services industry in the context of increasing demand for services and the complexity of need;
- **Sustainable resourcing** — how can organisations achieve greater funding certainty in an environment of increasing cost pressures and continue to attract and retain a highly skilled workforce, particularly in areas already experiencing a shortage of available staff, such as organisations in rural and regional Tasmania; and
- **Supporting good practice** — how can community organisations work together more effectively to share knowledge and skills, and how can the work developed and championed by community organisations inform practice within Government and other organisations.

The community services industry is one of the fastest growing and largest employing industries in Tasmania, adding around \$1.9 billion annually to the Tasmanian economy, and employing more than 28,000 Tasmanians, vitally supported by more than 46,000 (formal) volunteers.

Until there is significant progress on the structural barriers that cause inequality, disadvantage, poverty and exclusion, the need for the provision of essential community services will continue to grow in Tasmania.

As part of the ten year [Tasmanian Community Services Industry Plan \[2021-31\]](#), TasCOSS completed the Workforce Coordination Project which delivered important outcomes, including greater collaboration across the four sectors that comprise the community services industry, new research to help the industry understand what types of people are attracted to frontline care work, and the launch of the [Work with Purpose recruitment campaign](#).

There is now a unique opportunity to take the lessons from this project, together with the Commission of Inquiry Reform Implementation Project, and create a more sustainable community services industry for Tasmanians.

TasCOSS recommends a series of initiatives that will lead to broader industry sustainability, embed changes for child safety and wellbeing across organisations for the long-term, and more efficient and effective relationships with Government.

Community Services Industry Sustainability Initiatives

Key Facts:

According to the 2024 TasCOSS Member Survey, in response to questions about rising costs and inadequate indexation:

- *72% of members said they plan to make changes to service delivery, including reducing services or finding so-called 'efficiencies';*
- *50% said they are planning to incur a deficit budget or draw down on savings (more than double the number from 2023); and*
- *38% said they plan to cut staff numbers.*

Tasmania's community services organisations continue to provide professional quality support for Tasmanians in need. However, the increase in demand for services and pressure of rising costs is placing a significant strain on many organisations.

Over the last two decades, the funding community services organisations have received has fallen well behind the real cost of doing their critical work. This underinvestment means most organisations have been unable to absorb yearly increases in the cost of doing business, and struggle to meet the additional demand created by both the pandemic, and now by the surge in living costs.

Additional pressure is being placed on services, especially smaller organisations, through government contracts and onerous reporting requirements. Quality and safety reporting systems are not streamlined across agencies, leading to duplication of work. Funding processes are not always transparent, and often not linked to clear strategic priorities, and contract renewal processes can be unclear and protracted.

Streamlining these systems and channels of communication would be beneficial to both the Government and our industry.

There is an opportunity to provide a relationship-based approach to contract management instead of a compliance and risk-based approach. This would lead to iterative, innovative and impactful practices for the community services industry.

The implementation of reforms in response to the Commission of Inquiry provides an opportunity to trial some practice changes with organisations that support the safety and wellbeing of children and young people. It will also highlight sustainable practice, policy and systems changes that will benefit the broader community services industry and deliver positive outcomes for Tasmanians.

TasCOSS welcomes the release of the Not-for-Profit Sector Development Blueprint.¹ Tasmania's community services organisations will benefit from the commitment to delivering sector reform that includes "addressing long-identified needs and harnessing change both within the not-for-profit sector and its operating environment." Now is the time for strategic investment in the community services industry so that our communities can thrive into the future.

¹ Blueprint Expert Advisory Group (2024), [Not-for-Profit Sector Development Blueprint](#).

1. Funding Certainty

TasCOSS acknowledges the action taken by the Government to review and implement some changes that address the need for community services funding in response to our Fair Funding campaign.

It is now vital for the sustainability of the community services industry that there is long-term certainty in the form of:

- Minimum five year funding contracts to be implemented at the commencement of the 2025/26 Financial Year, to give certainty to community organisations and enable them to retain staff and make longer-term strategic financial decisions that will allow them to invest and innovate.
- A transparent indexation formula for all community service organisations, developed in consultation with our industry and reflective of industry costs.
- Outcomes-based funding framework to be implemented at the commencement of the 2025/26 Financial Year, that in time will inform purchasing decisions, contracts and reporting.

The implementation of these measures will give the industry more certainty about the funding it can expect, as well as ensure funding is better matched to the actual costs of delivering services.

2. Sustainability Program

There is an opportunity for ongoing investigation and policy development relating to industry support, expanding on previous and current research into the needs and experiences of Tasmanian community organisations and workers.

In partnership with Government, we will work with stakeholders to identify a suite of operational sustainability measures that can be trialled and implemented in the coming years.

The community services sustainability program will build on the knowledge gained through the Commission of Inquiry Reform Implementation Project and Workforce Coordination Project. It will be informed by consultation with community services organisations and Tasmanians who use the services.

The consultation will include consideration of the Government's own practices that create barriers to sustainability, enabling the development of more flexible, innovative and efficient services.

By investing in sustainability measures, organisations will be better placed to meet increasing demand as well as invest in productivity improvements, including staff development and technological upgrades — all of which will result in more timely and higher quality services for Tasmanians.

The sustainability program is likely to include the development of key policies, including:

- Best practice standard contracts for community services industry roles;
- Reduced reporting duplications across agencies;
- Streamlined standards and quality reporting; and
- Simplified policy submission processes.

It will also include opportunities for cost saving measures, like exploring opportunities for shared corporate services such as insurance, information technology, human resources and finance. Shared human resources and finance systems are an enabler for portable long service leave, a key initiative for attracting and retaining staff in the community services industry.

Another key workforce sustainability initiative is the development of policies relating to continued professional development and funded university placements to attract younger workers.

TasCOSS calls on the Government to fund the development of a community services industry sustainability program and implementation of initiatives, such as shared corporate services. This investment would lead to savings over time that can be retained by organisations to meet growing demand.

Proposed Investment: \$192,159 over 12 months (plus indexation), with additional funding to be determined for implementation

3. A Network for the Safety and Wellbeing of Children and Young People

TasCOSS and key stakeholders seek to establish a cross-sector network for organisations providing services to children and families within the areas of out-of-home care and justice. We are seeking funding for a coordination role to be shared across organisations forming the network for terms of 12 months at a time.

The implementation of the recommendations from the Commission of Inquiry is resulting in significant policy and practice change for community organisations working to support Tasmanian children and their families, requiring a high level of cross-sector collaboration between organisations and the Government.

A collaborative, cross-sector network would coordinate and lead advocacy relating to child safety and wellbeing, across key networks (including organisations working in out-of-home care and in areas relating to youth justice), facilitating community engagement with government agencies, as well as providing a platform for the regular sharing of information, skills and experience.

Proposed Investment: \$120,400 per year (plus indexation) over the Forward Estimates

4. Update of The State of Tasmania's Community Service Sector Report

To put the community services industry on the path to sustainability, we need to understand it deeply. In 2015, in partnership with the University of New South Wales (UNSW), TasCOSS developed the first report into [*The State of Tasmania's Community Service Sector*](#).² The comprehensive report examined issues impacting on the services' capacity and sustainability. It provided baseline information on their paid and voluntary workforce, governance arrangements, experiences of collaboration, funding and financial status, and relationships with government.

Now, ten years on, and mid-way through the Tasmanian Community Services Industry Plan (2021-31), it is an opportune time to see how the industry has, and is changing. An updated report will inform initiatives to develop

² Cortis, N & Blaxland, M (2015), [*The State of Tasmania's Community Service Sector*](#), University of New South Wales.

industry capacity, effectiveness and sustainability. To that end TasCOSS seeks funding to conduct a ten year update of *The State of Tasmania's Community Service Sector Report*.

Proposed Investment: \$146,300 over 12 months

5. Tasmanian Community Services Industry Plan (2021-31) Mid-Term Review

Like other industries, the community services industry is operating in a dynamic and fast-paced environment. It is important the industry remains responsive and adaptive to change at a strategic level and ready to contribute to change processes occurring in various sectors.

As part of the ten year [Tasmanian Community Services Industry Plan \(2021-31\)](#), TasCOSS completed the Workforce Coordination Project which delivered important outcomes for the industry. These outcomes include greater collaboration across sectors and the launch of the [Work with Purpose recruitment campaign](#). We also conducted significant new research to help the industry understand what types of people are attracted to frontline care work, an important foundation for the sustainability of the workforce.

The completion of this project, together with the changes implemented as a result of the Commission of Inquiry, provide an opportunity to conduct a mid-term review of the Industry Plan. The mid-term review would be informed by the independent review of the governance structure due to be completed in the first half of 2025.

The independent review and evaluation of the Industry Plan would be undertaken in 2026. The external evaluation will guide priorities and direction over the next phase of the Industry Plan. It will be informed by the ten year update of *The State of Tasmania's Community Service Sector Report*, and capture quantitative data and qualitative information, as well as current and projected impacts of the project.

It would also examine the priority pillars to ensure the Industry Plan is fit-for-purpose in delivering the outcomes both the Government and the community services industry agree are important.

TasCOSS calls on the Government to fund a mid-term review of the Industry Plan in 2026.

Proposed Investment: \$150,000 over 12 months

