

State Budget 2020-21 Submission Addendum:

INVESTMENT IN VOLUNTEER SUPPORT SERVICES

TO: Hon Luke Donnellan MP and Anthony Carbines MP

FROM: Scott Miller

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STATUS: Final



1. INVESTMENT OVERVIEW

Investment in Victoria’s Volunteer Support Services presents the Victorian Government with an opportunity to strategically leverage place-based community infrastructure in the upcoming Victorian Budget 2021-22.

Volunteering Support Services (also known as Volunteer Resource Centres or Volunteering Support Organisations) provide localised services to volunteers and volunteer-involving organisations in and across LGAs.

Place-based approaches are recognised by the Victorian Department of Premier and Cabinet (2020) as special as they “can complement the bigger picture of services and infrastructure. They engage with issues and opportunities that are driven by complex, intersecting local factors and require a cross-sectoral or long-term response.”¹

This *Volunteering Victoria State Budget 2021-22 Submission Addendum* proposes that the Victorian Government make a \$13 million investment over four years, in a sophisticated place-based partnership model to reinvigorate and sustain this important infrastructure into the future.

2. WHY THIS INVESTMENT IS NEEDED

2.3 million Victorians volunteer every year. There are well-established mental and physical benefits for the individual volunteering and volunteering also increases the overall health and resilience of a community.

Volunteering is an important expression of active citizenship and a common necessity for organisational service delivery. Volunteerism is crucial for thousands of organisations that engage volunteers as part of their service delivery models, including not-for-profit and community sector organisations, as well as state and local governments.

The Victorian Government for example relies heavily on volunteers, to act as Justices of the Peace, to conserve our environment, for emergency responses and to increase the quality of our health care.

Some 29 existing Volunteer Support Services are spread geographically across Victoria to enhance the safe and effective volunteerism that Victorians benefit from. Volunteer Support Services have played a central role in the volunteering sector model over the past decades, in line with international volunteer sector policy settings and standards. Volunteer Support Services provide support to volunteers, leaders of volunteers in the region, and improve the efficacy of the broader community of volunteer-involving organisations and government networks.

Volunteering Support Services were and are active partners in the Victorian Government’s response to the COVID pandemic – when volunteering rates fell from 2.3 million to 1.1 million in early 2020 (and likely lower thereafter). Volunteer Support Services were intermediaries of the Victorian Government’s COVID response, embedded in communities, supporting and clarifying government

1 <https://www.vic.gov.au/framework-place-based-approaches>

health restriction messaging, which supported the widespread compliance of COVID safety practices. Their ongoing existence and partnership are important for the Victorian Government to maintain a robust response to COVID.

However, this existing network of Volunteer Support Services is at risk of significant reduction in both geographic coverage and service delivery capacity. Not only would a reduction of Volunteer Support Service delivery capacity inhibit the Government's response to COVID and its efforts of community recovery, it would also exacerbate existing gaps in geographic coverage. Of the existing Volunteer Support Services, there are already disparities of organisational capacity to serve our communities. Some parts of Victoria do not benefit from local Volunteer Support Services. Anticipated reductions of funding would likely negatively impact already disadvantaged communities and further entrench socioeconomic and regional inequities.

3. INVESTING IN STRUCTURAL SECTOR CHANGE

Volunteer Support Services provide invaluable place-based supports for the volunteering ecosystem in Victorian communities. The Victorian Government is therefore recommended to fund existing and new Victorian-based Volunteer Support Services through the 2021-22 State Budget and beyond.

We recommend that the Victorian Government expand the geographic coverage of Volunteer Support Services to the communities that do not currently benefit from them, and lead an improved, rationalised model that better serves the needs of Victorians and the state of Victoria.

Table 1: Recommend model to strengthen place-based volunteering

Option	Description	Features	Estimated cost
Option 1: State-wide partnership model	4 year funding for existing VSOs, equitable expansion of geographic service area coverage, and comprehensive model redesign.	4 year funding for existing VSOs, equitable expansion of geographic service area coverage, and comprehensive model redesign.	\$3.16 million per annum, plus 4% annual indexation. \$13.42 million in total.
		Independent evaluation of services and workforce transition.	\$200,000.
		Evaluation of Volunteer Support Service model impact.	\$200,000.
			\$13.82 million total over 4 years.

Table 2: Funding allocation per Budget cycle

	2021-22	2022-23	2023-24	2024-25	Total
State-wide partnership model (\$25,000 X 79 LGAs)	3.160	3.286	3.418	3.555	13.419
Co-design tiered funding model (e.g. regional vs metro, diversity & disadvantage)	0.200	**	**	**	0.200
Evaluation	**	**	0.200	**	0.200
Total	3.360	3.286	3.618	3.555	13.819

This would be an investment in structural sector-wide change – with a view to reform and improve existing service delivery models and local capacity.

This investment would manage upcoming risks associated with recent Federal program reforms, while mitigating the disruption taking place due to COVID, and represent a return on investment that would benefit Victorian communities, state and local governments and the broader ecosystem of local organisations involved in volunteerism.

This investment would position the Victorian Government with more ability to deeply engage communities at the grassroots volunteer and organisation level. Victoria Government would be empowered with a greater ability to drive the development of an improved volunteering sector model which more closely aligns with the Victorian Government’s priorities. Victoria could become a state leader in the provision of place-based services.

4. KEY BENEFITS

The positive impact of Victorian Government investment would result in immediate benefits and the ability to shape longer term benefits. The key benefits of this investment include:

- » Stabilisation of existing place-based volunteering infrastructure.
- » More consistency of approach to support volunteers, volunteer-involving organisations, and other key stakeholders.

- » Equitable geographical service delivery area coverage and more support for disadvantaged communities.
- » Improved alignment of service delivery infrastructure to Victorian Government priorities.
- » Ability to deliver key Volunteering Portfolio Election Commitment (the Victorian Volunteer Strategy) with a broader scope and greater impact.
- » Timely investment of existing infrastructure – which would be more expensive to rebuild in the future.
- » Improved capacity building of leadership and management of the volunteer workforce.
- » More levers to promote volunteering that is inclusive of all communities (including LGBTIQ+, multicultural communities and people with disability).
- » Better, safer and more impactful experiences for volunteers.
- » Contemporary and timely responses to developing volunteering issues.
- » More benefits volunteering realised, including mental and physical health, improved productivity, pathways to employment, social inclusion.
- » Improved community resilience and ability to better coordinate and respond to disruptions and emergencies (such as bushfires and COVID).

5. VOLUNTEER SECTOR CONTEXT AND RECENT DEVELOPMENTS

Volunteer Support Services

Volunteering Support Services promote, resource and support volunteering in local communities across Australia. They provide infrastructure in communities to lead, enable and build capacity to recruit and retain volunteers in a wide variety of organisations and services.

Volunteer support services offer support on three levels:

- 1.** Volunteer support: for example, connecting citizens with appropriate volunteering opportunities through information, referral, advice and by developing new opportunities for volunteer effort;

2. Management support: for example, providing volunteer administrators with recruitment, consultation, training, networks, good practices and new strategies for volunteer management;

3. Community support: for example, creating the preconditions for civic participation, community development and corporate partnership through advocacy and the development of strategies for governmental volunteering policies, public recognition and capacity building.²

In total there are 29 Volunteer Support Service Organisations based in Victoria. These organisations provide services based on the needs of their community. Some Volunteer Support Services are embedded in local councils while others operate independently of, but work collaboratively with, councils.

Australian Government Decision to Redesign the Volunteer Management Activity

The Australian Government has determined that the constitutional risks are too great to maintain the existing funding arrangements for place-based volunteering support.

Following a lengthy consultation period (between 2017- 2021), the Australia Government Department of Social Services has discontinued direct core business funding for Volunteer Support Services as part of the Volunteer Management Activity. This decision takes effect at the end of the 2020-21 financial year.

The repurposed (VMA) funding going forward will now be distributed to the State and Territory Volunteering Peak Bodies and Volunteering Australia for:

- ◇ The delivery of services online, including the development of a national volunteer management online platform/s and resources to support this; and
- ◇ Support for Diversity and Inclusion, aimed at improving accessibility of volunteering opportunities for identified priority groups and reducing barriers for these groups.

A key justification for this change to funding arrangements is the Australian Government's position that it does not have the constitutional spending authority to directly fund Volunteer Support Services. This infers that constitutional authority to fund local place-based volunteering services would rest with the Victorian Government and Victorian-based local councils.

The totality of this decision was only recently communicated to Victorian Volunteer Support Organisations – on Friday 29 January. Communications in the past had indicated that funding might

cease. However, earlier decisions by the Federal Government had been reversed in the past – as a result of significant community backlash – and Volunteer Support Organisations had been awaiting the outcome of their input into numerous consultation processes before implementing transition planning processes.

VSOs impacted by this decision will now have less than 5 months remaining of the existing funding arrangements. This situation will mean the closure of many Volunteer Support Services and significantly reduced capacity of other Volunteer Support Services. The specific number of likely VSO closures and the impact of service reduction is unknown at this stage – the Australian Government has not released details of its service delivery mapping and the expected impact on geographically affected areas.

VSOs were further prevented from significant transition planning with the onset of COVID19 in 2020. VSS services played a vital role in supporting volunteer-involving organisations to navigate the pandemic and where possible, continue their volunteer services online. During the early period of the COVID pandemic, 42.1% of volunteer-involving organisations reported that they altered their retention strategies, having cancelled face-to-face and shifting to online, newsletters and telephone connections instead.³

Volunteering Victoria is separately advocating to the Australia Government Department of Social Services (Hon Anne Ruston, Minister for Families and Social Services) that an additional 6 months of VMA funding should be provided, based on existing funding arrangements, to support a transition to a new viable model which includes support from the Victorian Government.

6. INVESTING IN A NEW PHASE OF VICTORIAN-DRIVEN PLACE-BASED SERVICES

While Volunteering Support Organisations face challenges to maintain their capacity to deliver the high quality of services that Victorians deserve, the situation outlined above also presents the Victorian Government with a rare opportunity to strengthen its system stewardship.

This investment outlined in this proposal will strength existing infrastructure, and allow the government and the sector to co-design impactful new models which would evolve over time to better support the needs of Victorian communities.

Acting decisively now would allow the volunteering sector to move towards a sophisticated place-based, Victorian-led model, that could be leading the country. Taking control of this opportunity would result in a new volunteering model that is more cohesive, coordinated and enjoys greater state discretion over its future.

This model would consist of the following key elements.

³ State of Volunteering in Victoria Report (2020), p.50. Available at: www.stateofvolunteering.org.au

Entity	Role
<p>Department of Families, Fairness and Housing Primary Victorian Government Department</p>	<p>Primary funding partner.</p> <p>Setting broad policy objectives.</p> <p>Coordination across government departments and portfolios.</p> <p>Moving towards greater consistency of service offerings.</p>
<p>Volunteering Victoria Peak body for volunteering</p>	<p>Providing leadership, collaboration and coordination for impacted VSOs and VSS networks.</p>
<p>Volunteer Support Services Existing and new organisations and services</p>	<p>Continue to provide services and maintenance of networks which are consistent with the objectives of Victorian Government and place-based needs of the community.</p>
<p>Key stakeholders Volunteer-involving organisations, local governments, community members and quasi-government networks</p>	<p>Continue to engage and benefit from volunteer support services. place-based needs of the community.</p>

This model is the logical next step, following developments to rationalise the coordination of the volunteering sector. A major step on this journey was the mutual decision for the Victorian Volunteer Service Network (VVSN), which incorporates most Volunteer Support Services, to become auspiced by Volunteering Victoria in November 2020.

7. THE POWER OF PLACE-BASED SUPPORTS

2.3 million Victorians aged 15 and above volunteered in 2019, and donated at least 508 million hours to the community in 2019. Volunteering makes a \$58 billion contribution to Victorian economy, including delivery of services and improved productivity. Volunteering is a critical part the community response to emergencies, such as bushfires and COVID, and plays a role in community recovery and resilience. The volunteering sector faces a consistent need to adapt to disruption and comply with changing government regulations and legislation.

Over time there has been a trend of declining formal volunteering according to General Social Survey results and the Australian Census. According to the General Social Survey the share of people who volunteered in the previous 12 months fell from 34% in 2006 to 31% in 2014.⁴ VSOs are critical social infrastructure that supports volunteerisms in our communities to mitigate against this decline.

VSOs provide supports organisations from a wide breadth of sectors, including from the following:

- ◇ culture
- ◇ libraries
- ◇ museums
- ◇ health and aged care
- ◇ law and order
- ◇ education and training
- ◇ sports and active recreation
- ◇ environment
- ◇ tourism
- ◇ international aid and development
- ◇ heritage
- ◇ festivals
- ◇ business, professional and union
- ◇ emergency services
- ◇ animal welfare
- ◇ disability support services
- ◇ political
- ◇ welfare
- ◇ community development
- ◇ faith-based
- ◇ arts
- ◇ parenting, children and youth
- ◇ board and committee leadership

Victorian Government place-based approaches

Support for VSOs are aligned with the Victorian Government’s interest in place-based community development and service delivery.

“Government has a strong growth agenda investing broadly in communities right across the state. This means there are opportunities in communities to leverage our investments to create better outcomes for local people.”⁵

⁴ Reconnected, a community builders handbook, Leigh and Terril (2020)
⁵ <https://www.vic.gov.au/framework-place-based-approaches-6>

The Victorian Governments *Framework for Place-Based Approaches* further articulates that:

“Working with communities is a key capability for government.

With higher expectations of government, the community’s trust in government institutions to meet their needs is declining. Interventions planned, funded and coordinated centrally by government are not enough to deal with the complex challenges that some Victorians face. In this context, ‘place’ can provide a valuable focus point for government. It can help to:

- » *support civic engagement by enabling communities to apply local skills and strengths, and have a sense of ownership over decisions that are made*
- » *think holistically and systematically by helping to understand how systems impact on people’s lives, and bring together players from different portfolios and sectors to develop solutions*
- » *support preventative, cost effective responses by building resilient communities and targeting investment based on what works locally.”⁶*

8. MAGNIFYING THE IMPACT OF VICTORIAN GOVERNMENT POLICY

Volunteers play a significant – but often little understood – role in our labour force. Our workforces frequently include both paid and unpaid work. We define volunteering as “time willingly given for the common good and without financial gain”. In 2019, pre-COVID, an estimated 10% of Victorians volunteered to support government services for an average of 146.5 hours per year.⁷

The potential benefits of supporting and building on the pre-existing volunteering infrastructure are many and varied. For example, by investing in this infrastructure, the Victorian Government can:

- » Tailor volunteering initiatives to facilitate participation of young Victorians through volunteering – e.g. to reduce youth unemployment and rebuild a culture of volunteerism.
- » Bolster best practices and effective volunteering in community sport, events and festivals, community groups, aged care programs and more – to support communities.

⁶ <https://www.vic.gov.au/framework-place-based-approaches-4>
⁷ <https://stateofvolunteering.org.au/resident-survey/>

- » Provide more inclusive opportunities through volunteerism to diverse communities (LGBTIQ+, multicultural groups, people with disability and so on).
- » Facilitate greater coordination between local and state government.
- » Provide state government with greater access and reach into communities.

Volunteering Support Services are integral to the service delivery models, policy settings and functioning models of a variety of Victorian Government interests. Some prominent examples of this include the following.

The Victorian Volunteering Strategy

The Victorian Government has committed to fulfil the Labor Party 2018 election commitment to develop and implement a Volunteer Strategy to support and enhance volunteerism in Victoria. The existing Volunteer Support Services infrastructure facilitates the connection of government to community and would be necessary for the implementation of the forthcoming strategy.

If Volunteer Support Services are to close, this would significantly inhibit the Victorian Government's ability to develop this strategy and build on place-based infrastructure to benefit our communities.

weVolunteer initiative

weVolunteer is a Community Recovery Volunteering initiative designed to support communities in times of need, bringing together volunteers, the organisations that involve volunteers in their work, and Volunteer Support Organisations that provide local solutions to volunteering and the communities that are enhanced through volunteer participation.

weVolunteer is delivered by Volunteering Victoria and funded by the Victorian Government to help mobilise volunteers to assist with community recovery following the impact of COVID-19 and other emergencies.

weVolunteer is currently co-designing training programs to improve preparedness of volunteers and volunteer involving organisations, and co-designing a place-based model for community recovery volunteering with Volunteer Support Organisations across Victoria.

The potential closure of VSOs represents a risk to the delivery capacity of weVolunteer and might reduce its positive impacts.

Community Activation and Social Isolation Initiative

The Victorian Government's new Community Activation and Social Isolation (CASI) initiative helps people who might be feeling lonely or have lost their regular networks during the coronavirus (COVID-19) pandemic. CASI aims to help these people build social connections and networks of support in their local communities.

The CASI initiative works with a range of stakeholders, including VSOs, to achieve its objectives.

Partnering with Local Governments to Ensure Equity of Access

Local governments are central to a range of volunteering and community organisation activities. They have varying resourcing capacity for volunteer management and leadership.

With recent legislation (Local Government Act 2020) requiring councils to undertake principle-based community consultation and strategic planning with their communities, the Victorian Government can better ensure equity of access and service provision by building on the existing Volunteer Support Service infrastructure.

Primary Care Partnerships and Other Networks

Victoria's Primary Care Partnership (PCP) strategy brings together local health and human service providers who work together within voluntary alliances to improve access to services and provide continuity of care for people in their community. PCP partner organisations focus on better coordination among services, management of chronic disease management, integrated prevention and health promotion, and strong partnerships.

Volunteer Support services regularly collaborate and are part of networks such as Primary Care Partnerships – leading to richer place-based coordination and better outcomes for government and communities.

9. KEY RISKS OF VSOS CLOSURES

The exact result of reduced capacity and closures of VSO is unknown. Uncertainty around future funding and grant programs exacerbates an inability within the sector to plan thoroughly. However, there are clear risks if funding for the core business of VSOs is not maintained.

Key Risk	Likely impact
<p>Viability of many VSOs is in jeopardy.</p>	<p>Without ongoing core funding VSOs may have to shut doors or aspects of their service delivery, and will be unable to draw additional supplementary funding to deliver for their community.</p> <p>This will mean loss of jobs in the sector.</p> <p>VSOs provide vital support to organisations in their local community by connecting volunteers with roles and supporting organisations. This service offering will reduce.</p>
<p>Closure of some VSOs may exacerbate inequity of access to volunteer support in the state</p>	<p>While there are existing service gaps with the current VSO funding, closure of services most at risk would exacerbate this further and likely mean support is centred in the eastern metro areas – traditionally a less disadvantaged part of the state.</p>
<p>Further destabilisation on communities recovering from COVID.</p>	<p>Loss of networks maintained by VSOs which support thousands of VIOs in the communities.</p> <p>Loss of local capacity building in volunteering and community development.</p> <p>Reduction of community resilience in some areas.</p>
<p>Operational impact on Victorian Government and key stakeholders</p>	<p>The loss of VSOs would reduce the Victorian Government's ability to implement its initiatives.</p> <p>Operational impact on government would mean a reduction of:</p> <ul style="list-style-type: none"> • VSOs responses to enquires regarding volunteer opportunities, best practise and regulation compliance. • promotion of government policy (e.g. COVID restrictions) • facilitated access to communities.

Key Risk	Likely impact
Impact on Volunteering Victoria	<p>Volunteering Victoria does not have the operational capacity to respond to public, volunteer, organisational inquiries for the entire state.</p> <p>Reduction of networks providing information and regional coordination.</p> <p>Reduced capacity building ability across Victorian region.</p>
Impact on local governments.	Reduction of local government volunteering access and capacity. VSOs are embedded in some local governments and support other local governments.
Socially isolated and disadvantaged Victorians have reduced information and services	<p>VSO services support a higher proportion of disadvantaged Victorians to assist them in staying connected to community, or accessing volunteer roles to fulfil mutual obligation requirements.</p> <p>Victorians who are not connected digitally will likely miss out on support to connect to community.</p>

10. ALTERNATIVE OPTIONS

In lieu of a comprehensive investment by the Victorian Government to strengthen the model of volunteer support services, the following two options are included for consideration.

Table 3: Alternative options to support place-based volunteering

Option	Description	Features	Estimated cost
Option 1: Maintenance of existing model	Funding for VSOs which require assistance to continue to operate services.	Equivalent to 2020-21 annual funding levels for 17 VSOs.	<p>\$1,255,000 per annum, plus 4% annual indexation.*</p> <p>\$5,329,312 total over 4 years.</p>

Option	Description	Features	Estimated cost
Option 2: Minimal support to facilitate transition and closures	Support to mitigate the impact of fewer Volunteer Support Services.	One off needs-based transition grants to VSOs by application.	\$500,000 delivered in 2021-22.

*Using calculation of \$73,824 per Volunteer Support Organisation.

11. CONCLUSION

The disruption of the COVID pandemic, the rescinding of core volunteer service delivery support by the Australian Government and the pressures facing volunteer-involving organisations, could all culminate in further negative impacts for volunteerism and our communities.

Or – with intervention, decisive action and leadership of the Victorian Government – this proposal could provide a rare opportunity to turn these negative outcomes around and reshape the Victorian volunteering model, for the benefit of our communities.



volunteeringvictoria.org.au

info@volunteeringvictoria.org.au | (03) 9052 4524
552 Victoria St, North Melbourne, Victoria 3051

