

## ***CS1 – Community South West***

When funding of CSO Networks was announced in November 2004, the Community Southwest (CSW) Alliance was already up and running and ready to go. As the contact officer from the DHS Barwon South Western Regional Office notes – ‘They had a good head start – the agencies were already working together, they were well structured and there was strong commitment to the Alliance.’



CSW brings together nine not-for-profit organisations in the Warrnambool area and has a focus on reducing operating costs of member agencies through resource sharing, more efficient use of assets and combined purchasing power. However, as members emphasise, the Alliance is more than an administrative support arm to agencies. Members are committed to a long term relationship that will allow them to:

- Improve the quality of service delivery to consumers
- Establish a single voice for southwest agencies that will focus on common issues
- Improve fundraising.

The group decided to achieve this through the creation of four centres of excellence, based around purchasing, information technology, human resources and research. Over the last year there have been significant achievements – most notably in the area of group purchasing.

The CSW project manager has worked closely with a team of dedicated and skilled business managers and administrative staff from the member organisations to establish purchasing arrangements across a broad range of items including vehicles, IT hardware, insurance and furniture. This team has put in place a rigorous process for selection of preferred providers that is open and transparent. CEOs have been actively involved in interviewing and selection of providers. Local suppliers have been encouraged to be part of the tendering process. As the project manager notes, ‘For many this meant they had to think a bit differently and come up with good packages and be competitive. They have risen to the challenge.’

Achievements across the other centres of excellence include:

- creation of a new website for CSW providing a more comprehensive level of public information ([www.communitysouthwest.com](http://www.communitysouthwest.com)) and a staff intranet which among other things provides easy access to information on purchasing contracts
- establishment of shared training arrangements with coordination of training in specific areas being taken over by preferred training providers
- preparation of member profiles as well as profiles of each local government area within the region to assist in identifying potential opportunities for collaboration and provide information into funding submissions.

Members of the Alliance emphasise that there have been many less tangible benefits from the last twelve months work. These include enhanced staff skills and confidence and growth of goodwill, information, communication and cooperation. But as one CEO notes ‘Our bottom line is that what we do has to make things better for the client. Unless we are seeing (or going to see) some financial changes that allow us to make things better for the client then it isn’t a priority for us.’

The major issues highlighted by this case study are:

- The very significant financial and time commitment of members to making the Alliance work
- The significant achievements in development of more effective relationships between the community service and commercial sectors

The importance of a good flow of information about Alliance activities back to staff in the member agencies.

## **CS2 – Gippsland Region Administrative Support Network**

Having member organisations who work from different geographical locations was recognised early on by DHS as adding a ‘degree of difficulty’ to developing a successful CSO Network. The Gippsland Region Administrative Support Network demonstrates how a Network can operate effectively across significant physical distances and bring benefits to its members, including those in more remote areas.

The focus of the Network has been on making administrative savings through better purchasing deals and discounts. Savings are now well beyond those anticipated in the original funding submission and are expected to grow as members review and take up the offers available.

Priority has also been given to establishing sound business and management practices and capability for the future. A review of ICT in each agency has provided a list of improvement opportunities including more favorable pricing. For some CEOs, the review has increased their confidence in dealing with ICT providers – ‘we now know what questions to ask’. A business manager’s forum that encourages exchange of ideas on business and administrative issues is one element of the strategy for sustainability.

A key lesson from this Network is that while there may be some ‘quick wins’ from better purchasing deals – identifying, negotiating and implementing these generally requires time, perseverance and know-how. As members of this Gippsland Network will attest, savings can be significant as long as opportunities are identified with a close eye on the ‘cost-benefit ratio’.

## **CS3 – Western Alliance**

Closure of disability institutions in Ararat and Stawell in the 1990s saw many clients move into housing in the local townships, resulting in a requirement for community organisations that could cater for their needs. Ararat and District Disabled Persons’ Association Inc. (McGregor House), Stawell Intertwine Services Inc. (Intertwine) and Karkana Support Services Inc. (Karkana) stepped up to meet these needs providing a range of day care programs, respite care and supported employment. The Ararat Advertiser notes that these services have:

*“allowed people with a disability to not only be actively employed on a daily basis, but also to undertake new learning experiences in supervised environments. This enabled these people to gain self-esteem from the work and activities they are involved in and more importantly making them feel part of their community.” (Ararat Advertiser, July 29, 2005).*

With so many lives dependent on the support of these agencies, their longer term financial viability and sustainability is of interest not only to the CSOs themselves but other community organisations that provide related services and stakeholders such as DHS.

CSIF funding of the three agencies, under the banner of the Western Alliance (the Alliance), has been widely welcomed across the region and reported in many of the local papers. It has offered an opportunity for the Alliance members to work together to address the financial and program issues facing them and identify corporate savings, which can be channelled back into service delivery.

The specific goals of the Alliance, as described in the original funding submission, were to:

- develop a collaborative approach to corporate services including payroll administration, salary packaging and integrated financial reporting
- investigate bulk purchasing of services, goods and equipment
- establish shared staffing arrangements in order to, amongst other things, reduce the use of casual staff.

Consideration was also to be given to investigating and considering a full merger to form a new organisation to service the Central Grampians district. A number of factors have made it difficult for the Alliance to fully achieve these goals.

- Priorities of the Boards of Management meant that early stages of the project focused on investigation of the benefits of a merger. This required considerable resources and energy and did not provide practical outcomes when it was decided not to proceed in this direction.
- Lack of early achievements contributed to a loss of drive and motivation among the Alliance members.

*“When we found we were not getting immediate results we lost some of our interest and ‘took our fingers off the pulse.’ We could not see a lot coming out of the Network project.” (CEO/Manager)*

- 2006 was a busy year for the agencies with many competing priorities for the CEOs time. Much energy has gone into developing and managing business services.

By mid year there was growing concern that the Network project had ‘gone off the tracks’ and that there was a need to refocus activities. This led to concentration on two pieces of work in the later part of 2006:

- implementation of bulk purchasing arrangements
- review of administrative practices to identify potential efficiency gains.

Negotiation of bulk purchasing arrangements has been supported through the Yarriambiak CSO Resource Sharing Group (YRSG), which is located in the nearby township of Warracknabeal. The project officer from this Network has worked with the Alliance over the last few months to identify potential savings and see how Alliance members can hook into contracts negotiated through YRSG. This is already starting to provide financial savings.

As a follow on from the review, Network funds are being used to improve administrative practices in a number of the CSO businesses. This includes introduction of bar coding and credit card facilities, which will provide better management information and help achieve increased sales.

### **CS4 – ICT Centre**

Improving the use and management of technology is an important way of reducing costs, improving productivity and enhancing service delivery and communication in the non-government sector.

*“For many CSOs ... infrastructure such as Information and Communications Technology (ICT) systems are in deplorable condition. They are often a patchwork of hand-me-downs and past one-off grants, rather than the foundations of good organisational communication and growth.” (CEO/Manager)*

The ICT Centre Network, developed through the initiative of three large disability organisations, provides a model for addressing these issues. The Centre focuses on providing reliable and cost-effective ICT services, tailored to the needs of Victorian CSOs and provided by people who understand the sector’s requirements.

The inspiration for the Centre came in 2004 when the three Victorian disability sector organisations discovered that they shared similar ICT issues – inconsistent systems, patchy reliability, and unwanted support loads on internal staff. Their thinking was that by combining the resources they currently commit to ICT and those they planned to commit, adequate funds would be available to establish a combined ICT Centre which could provide a broader range of services more efficiently to all member organisations than each could hope to achieve alone.

In 2005 the ICT Centre was set up as an initiative of the CSIF. Full service provision commenced 1 October 2005.

An independent ICT Centre which runs on a commercial basis was the model selected specifically for its ability to be up and running almost immediately, and its capacity to expand to provide services to the full range of CSOs in Victoria on an opt-in basis. Two of the three members of the Network already used the selected service provider as their primary provider of ICT services, with very positive results.

The Centre offers CSO members a 10% discount on service prices charged to other organisations. By 13 November 2006 nine new CSOs had joined the ICT Centre Network. Eight of these are from the Disability Sector.

### ***CS5 – Monash Volunteer 'Crimcheck EMR' Network***

Five CSOs in the southern and eastern suburbs collaborated from 2001 to early 2005 to develop effective procedures to recruit and retain volunteers. This was a successful partnership, and the partners identified that one of the significant frustrations that CSOs encountered was the delay experienced when obtaining police checks for volunteers.

When a community organisation applies for a police check for a potential volunteer, it currently costs \$13.30 and takes around 20 to 30 days. These delays can be even greater if the organisation waits to send the applications in batches, to save on cheque fees or to obtain signatures from authorised Board members. This delay leads to the loss of many volunteers who may interpret the delay as a lack of interest, or find something else to do in the intervening weeks.

However, an agency of the Federal Attorney General's Department called CrimTrac administers the National Criminal History Record Check database, and processes police checks for all State and Territory police services. CrimTrac will only deal directly with organisations that generate a significant number of police checks annually, and the charge for police checks that are electronically lodged and processed is \$5.00.

Together, the five organisations met the minimum annual police check requirement. If they could develop a collective, electronic process, and have it approved by CrimTrac, the potential cost and efficiency savings were obvious.

In early 2005, the partners became aware of the CSO Network initiative and realised this could provide the resources to get the project off the ground. With strong support from the Eastern Metropolitan Region of the Department of Human Services, the Network proposed to develop an electronic lodgement system that would be trialed by the Network partners, extended to a small number of CSOs in a pilot project, and then made available to all DHS- funded organisations in the region.

The e-lodgement system is up and running, the pilot project is underway and plans for ongoing sustainability are being developed. The 'Crimcheck EMR' project consortium believes that by dealing directly with CrimTrac the response time will be reduced to less than 72 hours for more than 80% of all checks. They are also confident that the cost of each volunteer police check will be less than that charged by Victoria Police. This project is an excellent example of how collaboration can provide CSOs with access to services and savings from which they are otherwise excluded.

### ***CS6 – Peninsula Volunteer Coordination Network***

The three partner CSOs in the Peninsula Volunteer Coordination Network support people with mental illnesses in the Frankston/Mornington Peninsula area. In other words, they share both the same geographic region and the same potential pool of clients.

The focus of the Network has been on making administrative savings and expanding provision through better recruitment, training and coordination of volunteers. The Network got off to a late start, but is already providing benefit to all three partners, and is expected to meet recruitment and training targets by the project's end in May 2007.

The partners agree that the process of establishing common procedures and guidelines for the use of volunteers, while rigorous at times, has given each organisation the benefit of the experience and expertise of the other two. Volunteers are now consistently screened, trained and deployed to meet demand, allowing them to move freely across all three organisations.

There is undoubted potential for this Network to continue, and to expand to include other organisations who have expressed interest in 'coming on board', though the specifics of funding and scope have not yet been agreed.

### ***CS7 – Wallan Community Health and Resource Centre Network***

In 2004, the agencies involved in the Wallan Community Services Planning Group were trying to find ways to meet the needs of an under-serviced community. Wallan is one of the fastest growing communities in Victoria, but community health, mental health, family and youth services were being delivered in isolated rooms and offices, or in clients' homes, by staff that were based in other towns.

In late 2004, when a vacant building came up for lease in a perfect location in Wallan, four agencies agreed to share costs in order to provide staff and clients with a safe and suitable base. The agencies were Mitchell Community Health Services, Goulburn Valley Family Care, Goulburn Valley Area Mental Health and Berry Street Victoria. There was some risk involved as new centres can be costly and slow to establish, but there were also potential savings in shared administration and reception, IT, lease/rental costs and promotional activity.

The building fit-out was mainly funded by the lead agency, Mitchell CHS, and there was agreement that rental and other infrastructure costs would be shared by the four partner agencies on a pro-rata utilisation basis. During early 2005 CSO Network funding was sought to support rapid achievement of the partnership's goals with regard to community recognition and use of the centre. Funding was allocated to key strategies to boost the development of the Centre: a reception and information worker to welcome and refer potential clients; a community development worker to support the Network and promote the Centre to its community; and partial funding towards IT connectivity to allow visiting or permanent staff at the centre to work effectively.

After this twelve-month kick-start the Wallan Community Health and Resource Centre has high community recognition and demand for services. New partners are interested in coming on board, and arrangements are in place for ongoing staffing and funding.

### ***CS8 – Association of Neighbourhood Houses and Learning Centres***

When staff from the Association of Neighbourhood Houses and Learning Centres (ANHLC) attended the briefing about the CSO Network initiative, they were not sure they would be eligible to apply. The emphasis on cost-saving seemed to exclude an Association with almost no discretionary funds. Some of the Association's member organisations have no paid staff and an annual turnover of around \$10,000. The scope for financial savings was very small. However, the CSIF staff assured the ANHLC that a submission based on efficiency gains would be considered, and that submission was ultimately successful.

The ANHLC has 380 voluntary member organisations and 16 regional networks, all of which look to their Association for advice on policy, regulation and governance. In response to these requests, the staff of the Association spend a great deal of time emailing and faxing guides and documents. A web resource that would allow member organisations and networks to 'serve themselves' from the range of Association resources would facilitate better and more consistent management of neighbourhood houses and learning centres. It would also free up Association staff to keep resources up to date and accurate, and to customise new resources for their audience – volunteer management committee members who may have little time and little governance experience.

The \$45,000 CSO Network funding enabled the Association to collaborate with three regional networks to develop a database of resources, develop a new series of resources on governance, prepare existing resources for electronic lodgement, and commission IT programming to support the initiative. The project has been stalled by the unexpected news that, unlike other IT infrastructure purchased by the Association, the server to support the database could not be

purchased through the ACFE Board at government rates. Strategies to overcome this obstacle are now being explored, as the programming and resources are complete and ready to launch.

### ***CS9 – Community Desk***

Organisations operating in the housing and homelessness sector are increasingly expected to conform with national and state regulatory frameworks including the National Community Housing Standards and, in Victoria, pending registration and accreditation requirements. This calls for staff to make heavy use of a large volume of regulations, policies and forms in their daily work. If they are to carry out their jobs effectively, it is essential that these resources are readily available and kept up to date.

The Community Desk Network (originally known as the eDesk Network) was created by a small group of agencies working in the sector to develop an IT system that would improve members' ability to manage organisational knowledge and information resources. Rather than each developing a separate system, it made sense to work together to achieve the best possible product.

The 'Community Desk' system is designed to give staff easy access to documents they need and reduce the time required for reviewing and updating these. Additionally, it allows organisations to seamlessly share content and has many features that facilitate staff communication.

The focus of the Network over the last twelve months has been on selection and customisation of an appropriate web-based solution and its implementation throughout the four organisations. In preparation, surveys were used to collect information from members on how satisfied they were with existing approaches to document management, what they wanted from the new system and their existing IT capabilities.

Each member now has its own version of Community Desk tailored to its specific requirements and providing access to the organisation's information resources. In due course, Community Desk will also provide access to shared content – including documents and resources developed by individual members, web links and content specifically developed for Community Desk through collaborative processes. Staff across the four organisations will be encouraged to use Community Desk through the provision of shared training material and delivery of shared training on policy, principles and practice standards.

Community Desk is being built specifically to allow other community organisations to easily join the Network and benefit from the system and the shared content it has to offer.

### ***CS10 – Loddon Mallee Preschool Association***

Since 1994, Victorian preschools have functioned as small businesses – incorporated associations run by volunteer management committees that are responsible for (among other things) staff safety and compliance with relevant regulations. This model can result in difficulties for preschools as almost all members of each management committee change every year.

To address this, since 1992 the Victorian Government has funded Cluster Management of preschools, and the Loddon Mallee Preschool Association (LMPA) was established in 2004 as the Cluster Manager of 30 kindergartens across the region. They provide advice, training and support to the volunteer management committees. One of the most urgent issues facing preschools in 2005 was occupational health and safety. Management committees had no access to industry-specific information about OHS requirements, and the matter was left largely to kindergarten teachers. Incidents were only recorded if there were WorkCover implications. Any progress a kindergarten might make towards a coherent approach was lost every time the committee changed.

LMPA sought CSO Network funding to develop a comprehensive OHS manual for the kindergartens of the region. This resource, and training in how to use it, will result in management committees being better prepared to fulfil their OHS responsibilities and safeguard the health and wellbeing of their staff.

Seeking feedback from kindergartens on the draft manuscript took longer than expected and the publication of the manual was delayed. It was printed and distributed in late 2006. The manual is region-specific in the sense that it provides contact details for local support services and the LMPA, and only a small number of copies were printed. Although there are no firm plans to do so, an electronic version could usefully be made available to other cluster managers for customisation and distribution.