

# Not-for-Profit Sector Development Blueprint Issues Paper

– Summary snapshot of yourtown's submission



## What is it about?

Following an election commitment from the Australian Government the The Blueprint Expert Reference Group (BERG) are consulting on the principles and priorities of a Blueprint for Australia's not-for-profit (NFP) sector. The Blueprint will be provided to the Australian Government on what is needed for a sustainable NFP and charities sector through a 10-year vision and priorities for action.

## Why is it important?

There is a great need to provide a roadmap for government reforms and sector-led initiatives to boost the sector's capacity to support and reconnect Australian communities. However it is also important to acknowledge the existing strength of the NFP sector and the ability over many decades to step up swiftly to meet emerging needs, and remain undaunted during economic crises, natural disasters, and pandemics.

## Some of **yourtown's** key messages:

### **1. The Blueprint must clarify the difference between general NFPs and charities and have the 10 year vision focus specifically on the charity component of the sector.**

Governments need to create mechanisms to distinguish between the general NFPs and the charitable sector that provides services to address communities' needs. This includes updating definitions and terminology, so it is clear the Blueprint is referring to the charitable sector. The Blueprint can then detail focused support for the charitable sector and how it can best keep supporting communities. This can include strategies to enhance prevention and early intervention approaches that will support the sustainability of the NFP sector and reduce the impact of complex and challenging problems.

### **2. Government funding needs to reflect the true cost of delivering high quality and effective services**

To ensure a sustainable sector, both prevention and early intervention, and funding for servicing demand should be equally prioritised and resourced. Government funding needs to reflect the true cost of delivering services which includes consideration of the time and cost of tendering, consultation, co-design, and advocacy; evaluation, data and information sharing; technology; administration; staffing considerations; compliance, standards and safeguarding; and the time taken to build trust and relationships with communities.

### **3. Regulations and requirements need to be streamlined to ease the administrative, time and cost burden on NFPs**

**yourtown** supports a national approach to a regulatory framework for the NFP sector, with the ACNC becoming the sole regulatory body. Nationalised standardised requirements will alleviate administrative burdens, simplify compliance processes, and provide clarity on legal obligations for NFP's operating nationally. This national harmonisation needs to encompass regulation for fundraising, accreditation, and outcome measurements.

### **4. The Government must prioritise and engage in true co-design**

The Government needs to ensure is widely prioritising true co-design both with those with lived experience and the NFP sector. Co-design must be incorporated earlier on in the policy cycle before the foundations and core components are formed.

### **5. The Government must support the sector to enhance digital capability and cyber security**

Charities are at high risk of cybersecurity attacks considering the large amount of donor's financial information and client information they hold. These attacks come with significant consequences including disruption to services, loss of crucial information and damage to trust and reputation. Disappointingly, the 2023-2030 Australian Cyber Security Strategy fails to recognise charities and the significance of the sensitive data they hold. This is concerning given charities' cyber systems are known targets for foreign entities. The Australian Government should comprehensively invest in the cyber security of the charitable sector if it wants the nation to have a 'secure economy and thriving cyber ecosystem' and resilient and secure critical infrastructure, in keeping with its Cyber Strategy.

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