

# 2016 State of the Sector Survey

## SNAPSHOT SUMMARY

The survey, of over 280 community organisations, shows that stresses on our community organisations are increasing. They are experiencing greater demand for services and are dealing with greater complexity, but with less funding from government and a greater reliance on alternative funding sources.

This is the second survey of the community sector conducted in July 2016 by ComVoices in an effort to better understand the sector's service delivery, resourcing and capacity issues. Most questions were the same as or similar to those asked in 2014, providing a good comparison. There is a high level of similarity between the 2014 and 2016 survey responses. Significant findings were:

### SERVICE DELIVERY

- 65% of organisations have more work than two years ago – but only 34% have more staff than two years ago.
- 68% are doing more work than specified in contracts.
- Organisations are facing increasing complexity of needs in the clients and communities they are working with, but they have fewer resources to deal with this.

### FINANCIAL PRESSURES

- 42% of organisations were unable to offer staff any wage increases in the last two years.
- 2% (six organisations) are facing closure and 42% are worried about their financial viability.
- Almost half of the organisations are using their reserves to help fund their service delivery, and 56% of those organisations will be able to sustain this for only one more year or less.
- The sector is highly reliant on grants and sponsorship. Organisations are spending more time trying to find alternative sources of funding, including generating their own income through trading activities.

### ORGANISATIONAL PRESSURES

- The sector continues to undergo restructuring, with 46% of organisations saying they have restructured in the past 2 years
- Funders are requiring more compliance and placing more restrictions on organisations, but are not increasing funding to cover the increased costs of administering grants and contracts.
- Relationships with funders are deteriorating.

“ This is a difficult time for the entire social sector – but it is not being well covered in the media and few questions asked of Ministers. Partly this is due to social service providers not wanting to ‘rock the boat’ and jeopardise their chances of securing future funding. ”

**For the full survey visit  
the ComVoices website:  
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