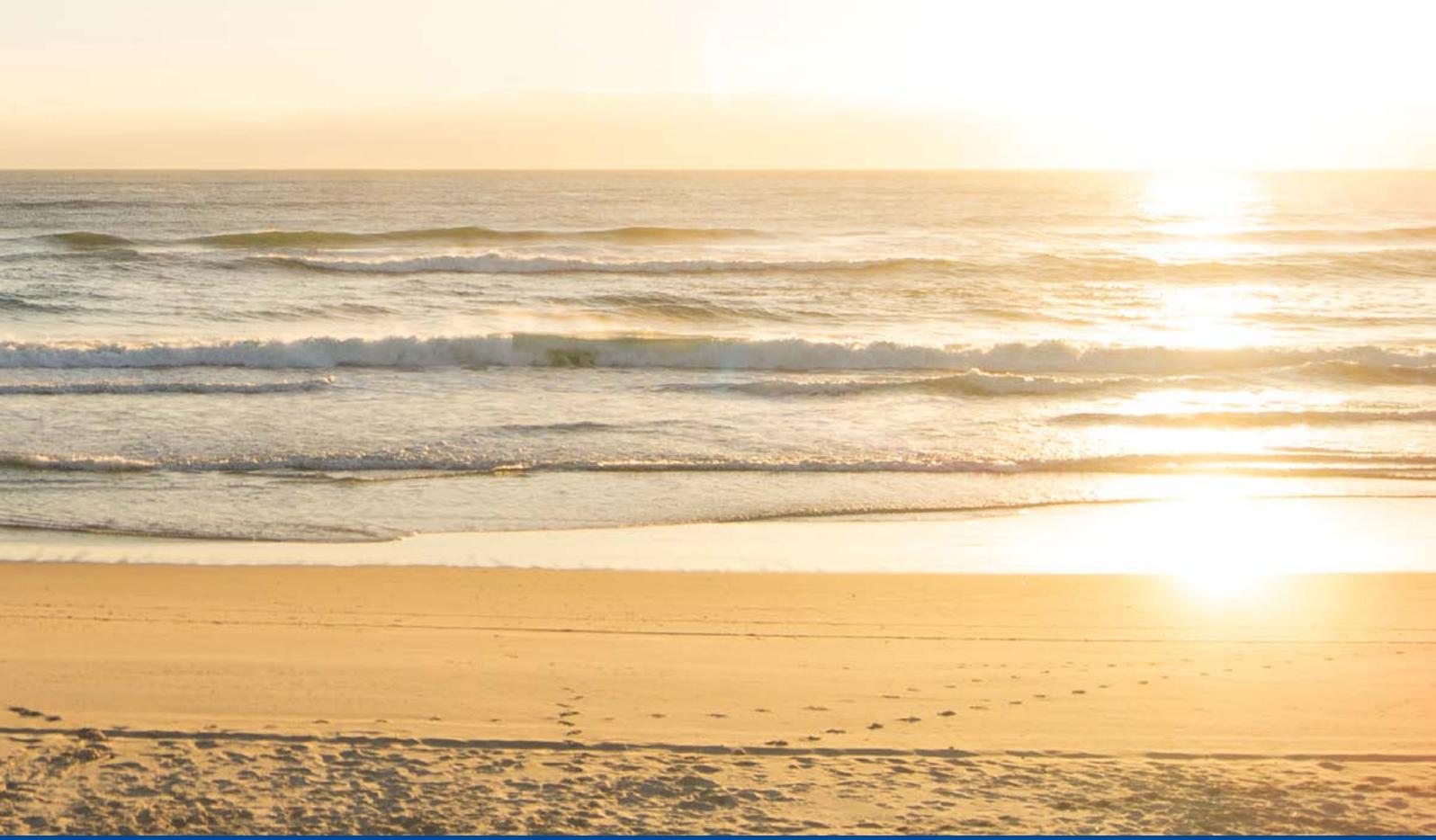


INDUSTRY PARTNERS  
BRIEFING PAPER



**RESPONSIBILITY  
FOUNDATION**

*Creating a society that is more humane and compassionate.*



## RESPONSIBILITY FOUNDATION

### VISION

Creating a society that is more humane and compassionate.

### MISSION

To reduce the levels of harm related to alcohol use in the Australian community by providing significant and sustained funding to non-government, not-for-profit and community based services.

### PHILOSOPHY

The Responsibility Foundation is Australia's national organisation committed to reducing the health, social and economic harms associated with alcohol and drug use.

The Responsibility Foundation operates within a health promotion framework as articulated in the Ottawa Charter for Health Promotion (1986) which defines health promotion as *"the process of enabling people to increase control over and to improve their health"*.

The Charter outlines five strategies for achieving the above process which are:

- Building healthy public policy.
- Creating supportive environments.
- Strengthening community action.
- Developing personal skills.
- Reorienting health services.

The Responsibility Foundation understands the harms that alcohol misuse can cause some individuals, families and communities. We believe there is a collective responsibility to reduce these harms.

As a Foundation, we are not opposed to the consumption of alcohol and support responsible industry practices and responsible consumption.

We also believe that a co-operative approach between industry, community services and governments is best placed to ameliorate and address the harms caused for some by alcohol misuse.

We recognise that public health, industry, government and non-government sectors all have an important role to play in contributing to our vision and mission.

### OBJECTIVES

- To develop an Australian organisation dedicated to collecting a sustained and significant level of funding that will be used to assist a range of non-government and not-for-profit community based frontline services and programs committed to assisting people adversely affected by the harms associated with alcohol use in Australia:
- To educate the public, decision makers and the media about the potentially harmful consequences of alcohol misuse.
- To increase the alcohol industry level of corporate social responsibility.

### OUR ROLE

The Responsibility Foundation has been established to provide an independent organisation and mechanism for the collection of a pre-determined formulaic level of funds from industry and consumers of alcohol. These funds will then be distributed via agreed protocols and selection criteria to provide significant and sustainable funding for not-for-profit and non-government services, addressing the harms related to alcohol use.

The concept is based on a model whereby every purchase within the packaged alcohol sales sector is subject to an agreed voluntary levy, which would be remitted to the Foundation for distribution.

Our innovative approach will require an understanding and acceptance from each sector involved that:

- All of us wish to see a safer and healthier community that provides a brighter future for generations to come.
- All of us are part of the community within which we live.
- All of us have family, friends and loved ones that make up our community.

Our approach will also require an understanding that each sector has a role to play in:

- Addressing the harms caused for some by alcohol misuse.
- Accepting the legitimacy of each sector's involvement.
- Respecting the different public policy positions that may occur at times.

## GOVERNANCE OF FUNDING

The Foundation is committed to an open and transparent funding process with our Industry Partners and with the community. To ensure this occurs the Foundation would manage the funding it receives in the following manner:

- The Foundation will receive Industry Partners contribution based upon a jointly agreed percentage of total packaged alcohol sales sector revenue.
- For efficiency and effectiveness reasons the Foundation has based its model on Industry Partners committing to three-year contribution agreements.
- As previously mentioned, the method and timing of the remittance of the contribution for an Industry Partner will be provided by an Industry Partnership agreement with the Foundation.
- The Foundation will commit 85% of each contribution from Industry Partners into a separate low risk bank account, which can only be utilised for distribution to successful grant applicants. All interest earned from this fund will be distributed to successful grant applicants.
- In the event the Foundation was to cease operations, any undistributed funds held in the 'grant distribution bank account', would be returned on an appropriate proportional basis (based on funds remitted) to each Industry Partner.
- The Foundation will commit to a maximum of 15% of funds remitted, across the three-year agreements, being held in an appropriate financial account for administration and operational purposes.
- The Foundation will also provide management accounts to each Industry Partners every month or quarter, as requested. The Foundation will also offer to meet with our Industry Partners on an individual basis every month or quarter to discuss relevant financial and operational issues as necessary.
- All Foundation directors, employees and consultants' remuneration will be paid at market rates that are appropriate for the sector.

## OPERATIONAL COMMITMENT

The Foundation will minimise operational costs, so it can maximise the distribution of funds to services.

Accordingly, as outlined above, the Foundation will **limit its operational costs to a maximum of 15%** of Industry Partner contributions on average over each three-year funding cycle.

This will allow the Foundation to **provide a minimum of 85% of contributions to services.**

## FUNDING INCLUSIONS & EXCLUSIONS

It is recognised in many health and welfare sectors that the current levels of government funding are not adequate to meet the level of community demand for services. As a result, many community based not-for-profit services often sacrifice expenditure on capital needs, innovation and staffing to try and meet community demand for their services. While the Foundation is unable to address staffing levels and remuneration issues it can assist in the areas of capital and innovation.

Given the lack of investment over previous years and high levels of future investment required by services, it has been estimated that their needs will exceed hundreds of millions of dollars over the next five years.

It is important to note that over 50,000 charities are now registered with the Australian Charities and Not-for-profits Commission (ACNC) many of whom are potentially eligible for funding from the Foundation.

### *Community Based Services Funding Grant Inclusions*

- Capital Infrastructure (non-recurrent).
- Innovation Fund (social enterprises, social investment etc.).
- Indigenous Community Controlled Organisations. (non-recurrent).

### *Community Based Services Inclusions*

As a general rule any not-for-profit, registered community based service with the Australian Charities and Not-for-profits Commission (ACNC) that is able to demonstrate a link between the services it provides to members of the community and alcohol related harm will be eligible to apply for funding.

This includes, but is not limited to:

- **Drug and alcohol education**, harm reduction and treatment services – the estimated number of eligible services is in excess of 1,500.
- **Homelessness services** – the estimated number of eligible services is in excess of 1,300.
- **Domestic violence services** – information on the range of services is not publicly available (for the safety of clients) but it is estimated the level of eligible services is in excess of 500.

*Note: Some organisations have multiple sites for service delivery.*

### *Funding Grant Potential Inclusions*

Subject to negotiation, the Foundation could provide and administer the funding allocation to Drinkwise (and any similar organisations) currently made by an Industry Partner within the remittance it receives.

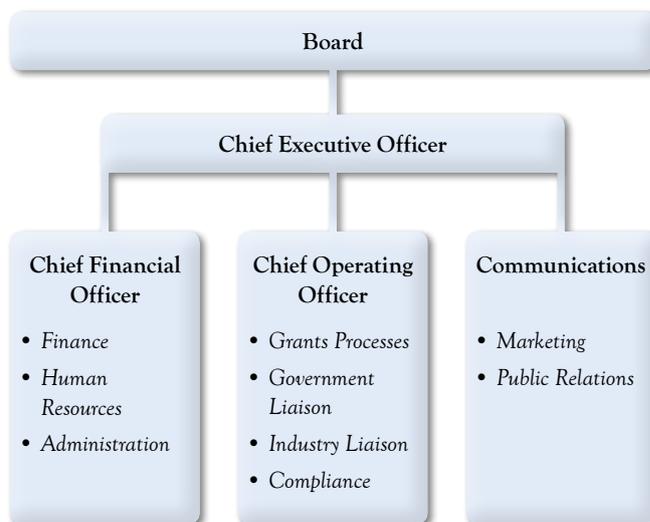
### *Funding Grant Exclusions*

- Government services.
- Research and scholarships.
- Public health and related advocacy and lobbying.
- Conference sponsorships, registrations and travel.
- Projects requiring recurrent funding.

## GRANT PROCESS

1. A public call for applications (including social media and mainstream media outlets).
2. Applications being submitted via a range of platforms.
3. The minimum amount of funding available will be \$10,000 (GST excl.).
4. The maximum amount of funding available will be \$1,000,000 (GST excl.) – although negotiation for larger projects will be considered.
5. Organisations with more than one site will be limited to five funding grants each calendar year.
6. Each announcement for applications will be for three categories:
  - Capital Infrastructure (non-recurrent).
  - Innovation Fund (social enterprises, social investment etc. – non-recurrent).
  - Indigenous Community Controlled Organisations (non-recurrent).
7. After the closing date, each application will undergo a preliminary assessment by Foundation staff to ensure it meets all basic criteria (registered charity, non-government service etc.) within its selected category.
8. The Foundation will then convene a Grants Assessment Panel for each category to rank each application in order of need.
9. The Grants Assessment Panels will comprise community, government and other relevant stakeholder representatives with significant experience relevant to the selected category of applications.
10. The Grants Assessment Panels will assess the merits of the proposal including the ability of the applicant to deliver the project within budget and the proposed timeframe, the actual budget (including administrative and management costs) and the benefit to the community from the project.
11. The recommendations of the panels will be reviewed by the Foundation Executive Team.
12. The views of the Assessment Panels and Foundation Executive Team will be submitted to the Board for approval.
13. After successful applicants have been advised of the funding they will be receiving a contractual partnership between the Foundation and the applicant will be put in place.
14. The contract will outline all compliance requirements for the applicant (reporting, audit etc.) as well as the obligations of the Foundation.
15. All successful applicants will be listed on the Foundation website, including a brief report on the benefits that resulted from the funding – upon completion of the project.
16. All unsuccessful applicants will be provided with feedback – including those that did not meet the preliminary criteria.
17. Applicants which were ranked as a priority but for which funding was unavailable (due to the exhaustion of available funds for that funding round) will be provided with an option to resubmit the same application in the next funding round.

## ORGANISATIONAL STRUCTURE



## GOVERNANCE

The Board will assume full responsibility for establishing and setting the direction of the Foundation.

The Board may also establish some standing committees (e.g. Audit committee) and at times, specific time limited committees to address specific issues.

The CEO will be responsible for all aspects of the Foundation's activities but will also liaise regularly with our Partners and Industry Partners to ensure that the work of the Foundation meets its core objectives and key performance indicators.

Small teams will also be established in the areas of Finance, Operations and Communications.

Some of the principles under which the Foundation's governance will be guided include:

- Ensuring that the effort undertaken by all employees across the Foundation is aligned with its strategic objectives.
- Ensuring individuals' roles, authorities and accountabilities in achieving strategic objectives are clearly articulated.
- Ensuring appropriate staff within the Foundation carry the authority to make decisions that are aligned with strategic objectives.
- Clarifying the controls and boundaries that apply to the exercise of authority by all Foundation staff.
- Providing clear and effective accountability for the decisions taken and authority exercised by all Foundation staff.

A clear whole-of-organisation governance framework will also be developed to ensure that all employees can effectively respond to changing circumstances within the boundaries established by the Board.

## COMMUNICATIONS

There have been preliminary discussions undertaken with the Offices of the Prime Minister and Leader of Federal Opposition regarding the potential launch of the Foundation with the Governor General.

An ongoing communication strategy will also be developed by the Foundation in collaboration with the communications teams from our Industry Partners. This will ensure the strategy is consistent with the values of both the Foundation and Industry Partners. It is also envisaged that the strategy will provide an overall national marketing plan to complement individualised marketing plans for each Industry Partner.

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## INDUSTRY BENEFITS

- Increased standing and good will in the community.
- Strengthening partnerships by providing real social value to the community.
- Meeting targeted Corporate Social Responsibility obligations.
- Having an ability to refer requests for funding from not-for-profit services in this sector to an independent foundation, thereby reducing administration costs.
- Having an independent foundation take responsibility for potential risks and associated adverse publicity as a result of inappropriate actions of funded organisations.
- Taking advantage of contributing towards a sector wide funding pool.
- Accessing the only sector wide avenue for not-for-profit organisational partnerships.
- Government support that potentially reduces the pressure for greater regulatory intervention.
- Commencing a ground-breaking initiative – the first voluntary alcohol levy industry and community partnership system in the world.





**RESPONSIBILITY  
FOUNDATION**

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