

Funding for ACT community services



Findings from the 2025 State of the ACT Community Sector Survey

In March 2025 ACTCOSS sought feedback from 129 respondents from ACT community organisations through the 2025 State of the ACT Community Sector Survey. This fact sheet highlights the key findings about funding and sustainability of the community sector.

The sector's strong reliance on ACT Government funding

The ACT Community sector draws on a diverse mix of funding sources to support its vital work. Among CEOs, senior managers and board members:

- 80% receive funding from the ACT Government
- 65% rely on philanthropy and donations
- 50% access funding from the Commonwealth Government
- 26% generate income from client fees and charges; and
- 17% earn revenue from commercial sources such as retail, sales, consultancy and rents.

This diversity highlights both the resilience of the sector and the importance of organisations maintaining strong partnerships across different funding streams.

4 in 5 community organisations received funding from the ACT Government with 59% saying this was their most important source of funding – up from 39% in 2022.

The ACT community sector is becoming increasingly reliant on ACT Government funding. In 2024, 59% of organisations that received funding from the ACT Government told us that this was their most important source of funding – growing from 39% in 2022.

At the same time, a declining number of respondents reported other sources as their primary funding.

- Organisations primarily funded by the Commonwealth decreased from 39% in 2022 to 22% in 2024.
- Organisations with primary funding from other sources (including philanthropy, fees, commercial income) declined from 24% in 2022 to 17% in 2024.

This signals a significant shift in the ACT community sector's funding landscape.

Threat to the future of ACT community services as funding shortfalls deepen

Whilst the ACT Government was identified as the most significant source of funding for many organisations, the survey highlights that the majority of organisations considered this funding to be inadequate.

Most community organisations report that ACT Government funding is not sustainable and does not cover the full cost of delivering essential services.

This is impacting their ability to meet community demand, employ, recruit and induct staff, provide professional development or meet mandatory employment cost increases (e.g. superannuation and long service leave increases).

Persistent structural shortfalls are undermining workforce stability, and the sector's ability to meet growing community demand.

- In 2024-25, 7% of organisations agreed that ACT Government funding covered the full cost of service delivery, compared to 10% in 2022.
- 9% agreed that their funding arrangements were sustainable, with one organisation warning that *"without secure ongoing funding, we will be required to cease operations at the end of this year."*
- 16% said their funding enabled them to meet community demand and 7% said they could employ enough staff to meet demand, down from 19% in 2022.
- A majority of organisations (70%) reported an increase in administrative burden, however only 9% said overheads (i.e. administration, management, IT) were adequately funded.
- A very small proportion of organisations (7%) said that the ACT Government's indexation formula – which is applied annually to contracts to account for inflation and rising operational costs – was adequate.
- Alarming, no organisations reported that ACT Government funding adequately covered increased wage costs (including superannuation and long service leave).

These results point to a persistent and widening gap in funding for core operational costs.

Without urgent action, the sector's ability to deliver services to meet growing demand will leave many Canberrans without access to essential services.

For more information

The survey responses offer a snapshot of the ACT community sector, reflecting a diverse mix of organisation sizes, funding levels, and service types. This broad representation means the findings provide strong and reliable insights into the current state of the sector. The comparison data has been taken from [At the precipice: Australia's community sector through the cost of living crisis](#) by ACOSS (April 2023).

The full State of the ACT Community Sector 2025 Report will be available on [our website](#) in the final quarter of 2025. For more information contact us at actcoss@actcoss.org.au

For more detail on rising demand, see our companion factsheet: [*Demand for ACT Community Services: Findings from the 2025 State of the Community Sector Survey*](#).