

# Putting the Public First: Economic Audit Implementation

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## Sustainable Funding and Contracting with the Not-For-Profit Sector

On 19 May 2011 the State Government announced that additional funding of \$600 million over four years will be provided in this year's Budget to ensure a sustainable not-for-profit sector and address a shortfall in the amount paid by Government to the sector for the services it provides.

This funding includes \$491 million over four years to provide a funding increase to eligible service agreements with not-for-profit organisations, resulting in an average 25% increase in contracts by 2014-15. In addition, \$96 million will be provided to continue and mandate the application of the Non-Government Human Services Sector Indexation Policy.

As well as providing additional funding to improve services and support, the Government is implementing a number of other reforms to ensure the not-for-profit sector can be more flexible and responsive in the way it provides care. These include less onerous reporting requirements on funded not-for-profit organisations and standardising contracting practices across government agencies.

In this regard, the *Delivering Community Services in Partnership Policy* has been developed jointly by the public and not-for-profit sectors, which will build and support a mature and streamlined contracting relationship between the sectors. Funding of \$18 million has also been allocated to provide appropriate education, training and support for both sectors. This includes establishment of the Funding and Contracting Services Unit in the Department of Finance, Government Procurement.

Monthly workshops have been held since March to invite stakeholders' input on specific aspects of the contracting reforms, and to inform the direction of template and practice guide development. To date, these workshops have been well attended by members of the not-for-profit sector and government agencies alike.

On 20 May 2011 a briefing on the 2011-12 Budget was provided to the community sector at the Hyatt Regency Hotel. At the briefing the Premier thanked

the public and not-for-profit sectors for their work on the funding and contracting reforms and said he relied on both sectors continuing to work closely together on implementation of the reforms. The Premier said he expected most of the additional funding would be spent on increased salaries and training. Ministers Helen Morton and Robyn McSweeney also outlined Budget initiatives in their portfolios.

More information on the reforms can be found on the DPC website:

<http://www.dpc.wa.gov.au/Publications/EconomicAuditReport/Pages/ProcurementReforms.aspx>

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## Partnership Forum

On 16 May 2011 the Partnership Forum held its fifth meeting. The Premier attended the meeting, thanking the Partnership Forum members for their work so far and for the progress achieved on the not-for-profit funding and contracting reforms. He asked that all members support the reforms as they are rolled out, to ensure that the benefits are maximised for the WA community.

A key item considered at this meeting was the implementation and governance of the roll-out of the funding and contracting reforms. The Forum will have oversight of the implementation of these reforms and will report annually to the Premier.

Other key issues addressed at this meeting included the Social Innovation Grants Program, the Community Development Investment Fund and self-directed service design.

On 1 June 2011 the Partnership Forum gave a briefing at City West Receptions for the community sector on the implementation of the funding and contracting reforms. Professor Peter Shergold, Chair of the Partnership Forum, chaired the briefing. Various members of the Partnership Forum spoke on the reforms, including the implications for the not-for-profit sector.

The next meeting of the Partnership Forum will be held on 12 August 2011. This meeting will provide an opportunity to address ongoing issues in the Forum's current work plan, as well as develop the Forum's future agenda.

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### Social Innovation Grants

The Government announced the Social Innovation Grants (SIGs) Program as part of last year's budget process, with funding of \$2 million allocated in 2010-11 and \$4 million per annum thereafter. The Program aims to promote social innovation in the delivery of human services. This recognises the importance of social innovation in WA and the need to develop new ways of delivering services to meet the diverse and complex needs of the community.

Applications for Social Innovation Grants are assessed by an independent selection panel established by the Partnership Forum. The panel members for the current funding round are: Professor Paul Flatau (Chair), Dr Sue Van Leeuwen, Robyn Martin, Dr Geoff Smith and Dr Phil Deschamp.

Announcements regarding the current funding round are expected to be made in June 2011.

The SIGs Program is administered by the Department for Communities, which has expertise in grants program administration. Applications to the SIGs Program can be made at any time to the Department for Communities.

For SIGs guidelines and application forms see:  
<http://www.communities.wa.gov.au/grantsandfundin g/Grants/SocialInnovation/Pages/default.aspx>

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### Self-Directed Service Design

A self-directed service design forum, hosted by the Partnership Forum, will be held on 10 August 2011. The forum's key objective is to generate discussion and interest in self-directed service design among people and consumer groups, community sector organisations and government agencies. It aims to do this in an open and collaborative style and is intended

to lead to future conversations and events. The forum will also provide practical ideas on how to implement self-directed service design.

The Partnership Forum secretariat, in collaboration with the Mental Health Commission and the Disability Services Commission, is developing a DVD to promote the forum and stimulate discussion about self-directed service design. A discussion paper is also being developed. The DVD and discussion paper will be distributed at the forum.

If you would like further details about the forum or to register your interest in attending please email the following address:

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### Community Development Investment Fund

Funding of \$10 million has been allocated in the State Budget to the Community Development Investment Fund for 2011-12. The money will be used for a grants program to support the development of social enterprise.

The Partnership Forum will oversee the development of the grants program.

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### Upcoming Events Delivering Community Services in Partnership Policy Workshops

On 6 and 14 July the Funding and Contracting Services Unit, Department of Finance, is hosting workshops on the *Delivering Community Services in Partnership Policy* for government agencies. Similar workshops will be held for members of the not-for-profit sector on 20 and 27 July. The workshops will focus on understanding the Policy, procurement templates and processes.

To register, please visit: [www.dtf.wa.gov.au](http://www.dtf.wa.gov.au)