

# Putting the Public First: Economic Audit Implementation

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Hello,

The Partnership Forum met for its third meeting on 10 November and discussed the review of community sector funding and the establishment of the Social Innovation Grants Program. This edition of the newsletter contains articles on community sector funding and the work that is being progressed on the Social Innovations Grants Program, community hubs and procurement reform.

This will be the last newsletter for 2010. The Economic Audit Implementation Team wishes you all the best for the holiday period and a happy new year.

## Community Sector Funding

The Partnership Forum considered reports from the Community Sector Funding Working Group and PricewaterhouseCoopers on the examination of the funding shortfall to the community sector.

The Partnership Forum discussed key issues relating to the funding shortfall and agreed that, broadly, the shortfall was within the range of 20% to 30%. Options for implementing an approach to address the funding shortfall were canvassed.

It was also decided that an agreed governance process to address the shortfall would need to be developed as a priority and linked to the procurement reforms.

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## Social Innovations Grants

The Partnership Forum considered and approved a proposed framework for the Social Innovation Grants Program, which is aimed at promoting social innovation in the delivery of human services.

The framework incorporates governance and administration arrangements, application processes, eligibility criteria, evaluation processes and directions for 2011. Information for applicants is being developed and will be available in January 2011.

It has been agreed that the Department for Communities will manage the administration of the Program recognising their significant experience in grants administration.

A grant selection panel will comprise five members drawn from the community and public sectors, and academia or business. The initial members of the selection panel will be identified and appointed by the Partnership Forum.

The Forum agreed to the Program being as broad as possible in terms of coverage with applications to be invited for all forms of social innovation.

Further information about the Program, including eligibility criteria and application processes, is being developed and will be available on the Department for Communities website in January 2011.

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## Community Hubs

The community hubs project team has met regularly over recent months with meetings held in various community locations to better canvass different types of service delivery. Examples include a large local government authority in the south metropolitan area and at a Lotteries House hosted by a youth sector organisation in the north metropolitan area.

Currently an outcomes framework is being developed to assess community hubs and identify best practices, with work also progressing on mapping established community hubs to develop a picture of what is currently operating in Western Australia.

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## Procurement Reform

The Government recognises the benefits to citizens of continuing to reform the way it engages with the community sector. A joint public and community sector Procurement in Partnership Working Group (PiPWG) was established to develop a *Collaboration for Community Policy* (the Policy) to replace the *Funding and Purchasing Community Services (FPCS)* policy. The PiPWG developed the Policy over the course of 10 meetings. A series of separate workshops with working group members and other interested stakeholders were also conducted. Over the last two months, the working group has dedicated considerable time to discussing the technical specifics, tone and intent of various Policy drafts. It has been agreed amongst PiPWG members that all low level operational procurement requirements be removed from the Policy and set within a series of guides and templates that will assist the Policy translate into consistent practice.

The Policy has been developed in the spirit of the Partnership Forum's *Partnership Principles* and builds on the lessons learned from previous human services reform. The Policy also provides clarity on the range of funding and contracting arrangements available.

In order to achieve better outcomes for Western Australians, the Policy will facilitate a genuine partnership between public sector agencies and not-for-profit organisations by:

- promoting flexibility, innovation and community responsiveness in the funding or contracting of services by public sector agencies, to better meet community needs;
- encouraging a more productive working relationship between public sector agencies and not-for-profit organisations based on trust, collaboration, accountability and effective and sustainable service delivery;
- clarifying when services are to be put out to open tender and when a more targeted

non-market based approach is more appropriate;

- reducing "red tape", complexities and inconsistencies, and standardising terminology to clarify the dialogue between the parties; and
- ensuring that public sector agencies contract with not-for-profit organisations in a manner that supports sustainable service delivery and recognises the importance of ongoing organisational viability.

The Policy will apply to:

- all such State funded programs; and
- all Commonwealth and industry funded programs – to the extent that it is not inconsistent with the requirements of that program or program sponsor.

The Policy will be finalised in early 2011 and presented to the Partnership Forum for endorsement. The Policy is proposed to replace the *FPCS* policy with implementation to be phased-in and new arrangements put in place as existing arrangements expire. The Department of Treasury and Finance, Government Procurement will provide ongoing support and oversight for the Policy.

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