Delivering Community Services in Partnership Policy

A Policy to Achieve Better Outcomes for Western Australians through the Procurement of Community Services
Foreword

We are proud to introduce the Delivering Community Services in Partnership Policy, which will improve outcomes for all Western Australians through partnerships between government agencies and the not-for-profit community services sector.

The not-for-profit community services sector provides vital services to Western Australians in need and is the backbone of many communities.

This Government is committed to supporting the important work of this sector. The benefit of contracting with not-for-profit community organisations extends beyond the successful delivery of services; it improves the lives of those who are vulnerable and empowers communities that have access to meaningful jobs, and opportunities to participate in community life.

The introduction of the updated Delivering Community Services in Partnership Policy 2018 is an exciting and timely opportunity to strengthen the partnership between Government and the not-for-profit community services sector.

The Policy has a strong focus on early planning and engagement with stakeholders and emphasises the importance of ongoing communication between Public Authorities, the not-for-profit community services sector, service providers and service users during the life cycle of a Community Service.

To ensure services reach those in need, we must continue to break down the barriers between Government and the not-for-profit community services sector and deliver services that support a vision of safe, resilient communities connected by strong families who feel they belong - a vision of Western Australia.

Hon Ben Wyatt MLA
Treasurer; Minister for Finance; Energy; Aboriginal Affairs

Hon Simone McGurk MLA
Minister for Child Protection; Women’s Interests; Prevention of Family and Domestic Violence; Community Services
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Overview

Policy Statement

To improve outcomes for all Western Australians through a genuine partnership between Public Authorities, the not-for-profit community services sector and service users in the planning, purchase and delivery of sustainable Community Services in Western Australia.

The Delivering Community Services in Partnership Policy (2018) (the Policy) will facilitate this by:

- breaking down the barriers between Public Authorities and the not-for-profit community services sector by promoting productive relationships based on Partnership Principles and Behaviours;
- providing direction in the approach to the procurement of Community Services. This includes the requirement for sound planning, genuine stakeholder engagement, co-design and relationship-based service agreement management;
- promoting flexibility, innovation and community responsiveness to better meet community, cultural and individual needs;
- clarifying when a targeted approach to procuring Community Services is appropriate and when an open tender is more appropriate;
- streamlining procurement processes, reducing ‘red tape’, complexities and inconsistencies, and standardising terminology to clarify the dialogue between all parties; and
- ensuring that Public Authorities contract with the not-for-profit community services sector in a manner that supports sustainable and effective service delivery and recognises the importance of ongoing organisational viability.

Scope of Application

The Policy applies to all Public Authorities that procure Community Services. The Policy applies to:

- all such State procured Community Services;
• all such State procured Community Services funded by the Commonwealth to the extent that the requirements of this Policy are not inconsistent with the requirements of that service; and

• head agreements for Community Services established by the Department of Finance.

The Policy must be read in conjunction with the State Supply Commission policies. Policies applicable to grants are currently formulated by individual Public Authorities (grants are not subject to the State Supply Commission Act 1991). All policies for grants for Community Services must align with this Policy.

Arrangements that provide financial assistance to eligible parties such as low interest loans; direct to citizen payments; and subsidies are outside the scope of the Policy.

Implementation

The Policy replaces the Delivering Community Services in Partnership Policy (2011) and has been endorsed by Cabinet.

The Policy is effective from 1 October 2018.

The Department of Finance’s Government Procurement, will provide ongoing support and oversight for the Policy. All enquiries should be directed to the Funding and Contracting Services Unit within the Department of Finance’s Government Procurement.
Partnership Principles and Behaviours

The Policy seeks to improve outcomes for all Western Australians by building a genuine partnership between the public and not-for-profit community services sectors in the policy, planning, purchasing and delivery of sustainable Community Services in Western Australia.

Public Authorities must engage with the not-for-profit community services sector and service users in a manner that is consistent with the following Partnership Principles and Behaviours:

**Partnership Principles**

1. A joint commitment to improve health, well-being, social, cultural and economic outcomes for the Western Australian community.

2. A recognition of the value and contribution of Public Authorities, the not-for-profit community services sector and service users in the planning, co-design and delivery of Community Services.

3. A commitment to fostering a diverse sector of small, medium and large not-for-profits that place the service user at the forefront in the planning, co-design and delivery of sustainable Community Services.

4. A collaborative approach to decision-making based on mutual trust and respect that fosters openness and transparency in procurement of Community Services.

5. An enduring commitment to the sustainability of Community Services.

6. A commitment to reduce the administrative burden associated with the procurement of Community Services.

**Behaviours**

1. Drive demonstrable improvements in outcomes for all Western Australians.

2. Engage service users in the ongoing planning, co-design and delivery of sustainable Community Services through direct and indirect methods of consultation and representation in the development of service delivery.
3. Consult on all significant issues and adopt a collaborative approach to decision-making, including the development of policy, planning and service co-design.

4. Conduct all planning, co-design and delivery of Community Services activities with transparency and open communication, including the sharing of appropriate data, information and the basis for decisions.

5. Build processes that support Public Authorities and Organisations to work together to ensure that budget levels are sufficient for sustainable Community Services.

6. Acknowledge the value of place-based Organisations with local knowledge and connections to people and place in regional and rural areas.
The Policy flowchart illustrates a structured approach in applying the Policy when undertaking procurement activities.

The Policy provides for:

1. **Planning in Partnership**
   a. adopting clear processes for planning in partnership, encouraging and valuing contributions from both sectors to achieve the desired community outcome;
   b. adopting transparent and consultative needs analysis, market research and information management processes;
   c. a commitment to engage stakeholders including service users in the planning, co-design and delivery of Community Services; and
   d. a person-centred approach to enable each service user to achieve individual outcomes.

2. **Procurement Arrangements**
   a. procurement arrangements that maintain transparency and accountability;
   b. procurement arrangements set within a Policy framework to be applied by Public Authorities;
   c. outcomes-based procurement arrangements designed around measurable benefits for the community and service users;
   d. sustainable service delivery that recognises the importance of ongoing Organisation viability; and
   e. procurement arrangements review and evaluation process feedback to be used to inform future needs analysis, service planning and co-design processes.

3. **Reducing the Administrative Burden**
   a. standardised procurement documentation and guides for Public Authorities and the not-for-profit community services sector;
   b. streamlined reporting and outcomes measurement processes to be used by all Public Authorities; and
c. relationship-based service agreement management to reduce the administrative burden and to inform future needs analysis, service planning and co-design processes.
Delivering Community Services in Partnership Policy

Flowchart

Planning in Partnership

- Community Outcome*
  - Needs Analysis
  - Identify Stakeholders
  - Market Research
  - Data Collection and Use
  - Stakeholder Engagement and Co-Design
    (includes stakeholder engagement approach and principles; co-design of service-level and individual outcomes)

Procurement Arrangements

- Contracting Arrangements
- Grant Arrangement
- Other Flexible Arrangement

Procurement Arrangement Review and Evaluation
(Feedback from review and evaluation process to inform service planning and co-design process)

Reducing the Administrative Burden

- Standardised Documentations and Guides
- Streamlined Reporting and Outcomes Measurement

Relationship-based Service Agreement Management
(To reduce the administrative burden and inform service planning and co-design process)

** To align with each Public Authority’s strategic objectives.
Planning in Partnership

Public Authorities must adhere to the following planning in partnership requirements to capture Organisation, community and service user input in the planning, co-design and delivery of Community Services.

Planning

Planning should be undertaken in partnership with Organisations and service users, encouraging and valuing contributions from both sectors to achieve the desired community outcome.

Planning in partnership will enhance collective commitment and ownership; increase the available knowledge and expertise in the co-design and implementation of procurement strategies; enable greater transparency in decision-making and evaluation processes; and ensure the service meets the needs of service users.

Community Outcome

Outcomes are the changes, benefits, learnings or effects that occur for an individual or the community as a result of service delivery.

Prior to commencing any procurement activities, Public Authorities must have regard to their strategic objectives, the desired impact or change they are seeking to achieve within the community and must work towards collaboratively defining and articulating the community outcome.

Public Authorities will only procure Community Services under the Policy if the desired change, benefit or impact is intended to improve health, well-being, social, cultural and/or economic outcomes for Western Australians.

Needs Analysis

Public Authorities must adopt transparent and consultative needs analysis processes, consistent with the Partnership Principles and Behaviours. Relevant stakeholders (including Organisations and service users) and relevant data should be accessed on the needs and social drivers for the relevant service within the community, as well as the nature and mix of possible service response strategies.
Where the not-for-profit community services sector is involved in the planning and co-design of services, consideration should be given to its valuable contribution, and any associated Intellectual Property (IP) must be managed appropriately.

**Identify Stakeholders**

Involving the right stakeholders (partners), including service users, in the planning, implementation, monitoring and evaluation of procurements will ensure public funds are spent in an optimal manner and spent where they are most needed.

**Market Research**

Cognisant of the community outcome, and following a needs analysis and stakeholder identification process, Public Authorities must be able to demonstrate a thorough preliminary understanding of the market.

Depending on the nature of the desired change, benefit or impact and the characteristics of the community, Public Authorities must consider the market profile and its capacity, as well as the maturity of potential service providers within the market to determine the most appropriate procurement response strategy.

**Data Collection and Use**

A systematic approach to appropriate data collection and sharing with Organisations is encouraged throughout the procurement process, and should be undertaken in an open and effective manner.

When establishing a service agreement, previous service agreement data may be used to inform the decision-making process provided the data is documented, relevant and fit-for-purpose. Service agreements for new services may benefit from the collection and analysis of new data.

Planning should also consider the data required to demonstrate the achievement of outcomes in the most efficient manner.

**Stakeholder Engagement and Co-Design**

Public Authorities will engage with stakeholders, including service users, in a manner that is consistent with the Partnership Principles and Behaviours. Involving and effectively engaging stakeholders in the planning, co-design and delivery of Community Services will allow Public Authorities to collaboratively utilise stakeholders’ experience, expertise and knowledge. Accountable Authorities must ensure that IP considerations are understood and communicated
prior to undertaking co-design processes to ensure a mutually agreed IP management process is implemented during consultation.

The quality of relationships between stakeholders will determine how well services are planned and delivered for better outcomes for all Western Australians.

**Stakeholder Engagement Approach**

Consideration of the best approaches for stakeholder engagement is important. Enablers for effective stakeholder engagement include (but are not limited to):

- Commencement to stakeholder engagement during the planning stage and prior to any decisions being made that could affect the achievement of the desired community outcome.

- Commitment by Public Authorities to engaging with stakeholders; ensuring that facilitators are appropriately skilled; that stakeholders understand their role; and that the process is well planned and meaningful.

- Commitment by Public Authorities to engaging with stakeholders from diverse backgrounds in a respectful and culturally appropriate manner.

- Genuinely collaborative and transparent engagement processes underpinned by values of trust; respect; openness; and transparency.

- Commitment by Public Authorities to two-way open communication with stakeholders and clearly articulating how stakeholders’ contributions will be used.

**Co-design of Services**

Collaboration between key stakeholders is required to enable a holistic approach to co-designing Community Services that meet individual, cultural and community needs.

Public Authorities should be flexible around co-design considerations and must adopt a genuine and transparent partnering approach when co-designing services with Organisations, the community and service users. Successful co-design of services at a program and individual service level should be built on equal standing of stakeholders and tailored to specific situations.

Engaging relevant stakeholders in the co-design of Community Services is a requirement of the Policy and supports the achievement of community outcomes (including service level and individual outcomes) for all Western Australians.
For more information on practical implementation, refer to the guidelines available on the Department of Finance website: www.finance.wa.gov.au.
Procurement Arrangements

Having established the desired impact or change to be achieved within the community, Public Authorities must give consideration to the optimal procurement arrangements that will best suit the individual and community needs.

Contracting Arrangements

Service Agreement

A service agreement is a form of contracting for services through a procurement process. Service agreements are generally established where a Public Authority:

- enters into a fee for service arrangement to purchase a service from an Organisation for the Public Authority’s own benefit; or
- is contracting with an Organisation to provide a service to a third party.

Public Authorities that intend to establish service agreements with Organisations must comply with the requirements of the Policy.

Master Agreement

Where an Organisation has been awarded multiple service agreements with a Public Authority, the Public Authority must seek to reduce the administrative burden imposed on that Organisation, particularly for reporting purposes.

Public Authorities must consider the burden placed on Organisations required to meet multiple and inconsistent reporting requirements and should, where possible, combine individual service agreements between the Organisation and the Public Authority into a single contract (that is, a master agreement between the parties).

The master agreement should meet a range of requirements and where possible, contain a single set of contract conditions but comprise multiple service schedules – one specific to each service agreement. Reporting should be standardised, unless there are specific and justifiable reporting requirements that are specific to each service to be delivered under the agreement.

The process for establishing a master agreement and the associated compliance requirements are the same as for service agreements.
Procurement Approaches

Common procurement approaches to formally invite interest or offers from potential service providers are briefly described in this section of the Policy.

For more information on practical implementation refer to the guidelines available on the Department of Finance website: www.finance.wa.gov.au.

**Competitive Request for Tender/Request for Quote**

A competitive (open) Request for Tender/Request for Quote is used when a specific or range of possible service solutions are invited and there is a service agreement or agreements to be awarded. This may provide greater potential for creative and innovative solutions to community issues consistent with the Partnership Principles and Behaviours underpinning the Policy.

Public Authorities may purchase services to which the Policy applies through a competitive tender process. However, all decisions to purchase, including via a competitive tender process, must be first approved by the Accountable Authority, which shall have regard to the Government’s policies in relation to contracting with the not-for-profit community services sector.

Competitively tendering a service may be considered appropriate when:

- a general initiative or service is capable of being delivered by a number of Organisations; or
- service requirements are particularly complex or unique, or proposals offered by Organisations through a restricted process do not represent value for money; or
- the use of a competitive tender process in a particular instance can potentially demonstrate better outcomes for service users and the community.

**Registration of Interest**

Public Authorities may publicly invite potential service providers to register interest. Registrations of interest must be taken on the standardised registration form to be used by all Public Authorities and information required of respondents and/or criteria specific to the service (for which registrations of interest are invited) must be appended to the standard template.

A registration of interest can form part of a Public Authority’s market research activities. A registration of interest frequently does not result in a service agreement as further negotiation and clarification are required.
Expression of Interest

Public Authorities may call for an expression of interest for a particular service to which the Policy applies. An expression of interest can be useful in establishing preliminary interest and capacity, and can enable the transparent selection of parties who will contribute to the development of service specifications. The expression of interest can also be used to shortlist and pre-qualify potential service providers for future negotiations or form a panel of pre-qualified providers for a given area of activity (see Service Pre-Qualification below).

An expression of interest can be the first stage in a two-stage procurement process which results in a service agreement, as can a registration of interest.

Service Pre-Qualification

A service pre-qualification process is a means by which a Public Authority may shortlist potential service providers (generally after a public invitation) on the basis of their capacity to provide the required service(s). Assessment of capacity may include factors such as the service provider’s quality assurance, service model and management and governance attributes. The resultant shortlist may then be used for a restricted process, including direct negotiations, or to form a panel from which a Public Authority or service user can select a service provider.

Preferred Service Provider

Public Authorities may, at their discretion, exercise the option of retaining an existing service provider through a restricted process. Public Authorities must recognise and give weight to the history of a service provider’s performance and the context in which negotiations arise. A significant aspect of this context is the need, in many instances, to ensure service continuity for service users. This may require setting aside the universal application of ‘market testing’. If this approach is taken, the existing service provider will then be known as a Preferred Service Provider.

In view of the risks associated with setting aside market testing, all decisions to award Preferred Service Provider status must be approved by the Accountable Authority, who shall take into account the Government’s policies in relation to procuring services from Organisations.

To assess an existing provider’s suitability for Preferred Service Provider status, Public Authorities must conduct a service review to determine whether the service provider is:
• continuing to meet the identified need;
• meeting the agreed service specifications, outcomes, quality standards and contractual requirements;
• operating efficiently and effectively; and
• actively engaged in continuously improving services, being responsive to service user and Public Authority needs and offering innovative solutions to provide the best possible service to the community.

To ensure appropriate probity and accountability for decisions of this nature, Public Authorities must ensure the review of Preferred Service Providers is transparent and the service provider proposed for Preferred Service Provider status is involved.

Furthermore, in the interests of ensuring that other potential providers are not inadvertently excluded from consideration, there must be a clear process through which the decision to award Preferred Service Provider status may be questioned by other Organisations. In the first instance, this should provide for an avenue for referral of questions and issues to a person within the Public Authority who was not included in the relevant decision. Further avenues of referral would consist of external agencies such as the Department of Finance’s Government Procurement, and the Ombudsman Western Australia.

At the end of a service agreement, and where the Public Authority has granted Preferred Service Provider status, the Organisation can be retained for an additional term. The Public Authority may issue a new Request document for a formal response. Alternatively, a Public Authority can vary the Organisation’s existing service agreement by extending the service agreement term, rather than entering into a new service agreement.

For both options above, a collaborative process to review and update current service specifications should be undertaken.

Where a service provider has been awarded Preferred Service Provider status, a Public Authority must ensure that consideration is given to ensure contracting arrangements are structured in a manner that support sustainable service delivery and recognise the importance of ongoing organisational viability. At a minimum, this should include an avenue for long-term Preferred Service Providers to discuss funding levels, volume of services and service design (as required) – however, any subsequent contract variations must represent value-for-money and have regard for the potential for new service providers to deliver the services.
If there is to be any change to contracting arrangements, for example, from Preferred Service Provider to open tendering, the Public Authority must ensure the relevant parties from the community services sector are fully consulted and early notice is given of the possibility of new arrangements. The responsible Public Authority must be able to demonstrate that these decisions are in the best interests of service users and the community.

**Direct Negotiation with a Potential Service Provider**

Direct negotiation involves negotiating with one potential service provider only. This may occur after extensive market testing and research and a process, such as an expression of interest.

Direct negotiation may be considered appropriate where:

- alternative service providers do not exist with the necessary skills and there is a need to develop such; or
- only one service provider exists with the skills and experience necessary; or
- a recent open call for submissions has been conducted and the potential service provider offered the best value-for-money; or
- there are strategic considerations, such as the viability of other procured services or services for regional and remote Western Australia that make direct negotiation desirable.

Public Authorities must exercise care before choosing to negotiate with a sole service provider, so as not to exclude other service providers that may be in a position to offer a competitive solution, if given the opportunity. Public Authorities must be able to demonstrate, if called upon (for example, by the Auditor General), that the decision is in the best interests of the service users and the community.

**Integrated Services**

Integrated services require the collaboration of multiple parties, such as Public Authorities and service providers, to provide services to individual service users in a coordinated, efficient and accessible manner to achieve better outcomes.

In many cases, individuals are required to access multiple services in order to address long term or complex needs. Integrating services assists in the removal of organisational barriers that exist between Community Services programs, helping to minimise the chance of individuals falling through ‘service gaps’.
The appropriate level of integration, if any, is determined by the needs of the individual service users.

A commitment to collaboration and information sharing is required for the effective development, integration and management of the integrated service. Providing sufficient time for planning the integrated service, forming collaborative arrangements, and transitioning in and out of the service agreement, is required for the effective implementation of the integrated service.
Compliance Requirements for Service Agreements

In establishing and managing service agreements, Public Authorities must comply with the following requirements:

- The process for establishing a service agreement must comply with the requirements of the Policy, particularly in relation to service co-design and the involvement of the community services sector when planning in partnership.
- Transparent processes must be used to establish all service agreements.
- Public Authorities must use the standardised service agreement documentation. The documentation will specify, among other things, desired community outcome and service-level outcomes, clear performance and outcome measures relating to the effectiveness and efficiency of service delivery, and price review mechanisms (including ensuring the capacity of Organisations to meet their legal obligations).
- A specification must be issued, a formal offer received and a formal contract document executed. This document may be in the form of an acceptance letter.
- Public Authorities should avoid prescribing the resources used to deliver a service, such as staffing levels and salaries.
- Public Authorities must ensure that Organisations are aware they may be subject to an audit by the Office of the Auditor General or its representative, in certain circumstances, in accordance with the Financial Management Act 2006 or the Auditor General Act 2006.
- Where there are surplus funds at the end of the contract term, and services have been delivered to the quality and quantity specified in the contract, repayment of this surplus by an Organisation must not be sought by Public Authorities.

In addition, service agreements should be structured with minimum five-year initial terms (that is, exclusive of extension options) so they are of sufficient duration to encourage continuity, efficiency and sustainable service delivery.

Accountability and Governance Standards

Public Authorities have a role in building the not-for-profit community services sector’s capacity to meet government’s accountability and governance standards. Public Authorities are expected to adopt consistent accountability requirements that flow from the standardised documentation and structure the content to meet these aims.
Public Authorities must demonstrate a commitment to fostering sound governance among their service providers and ensuring the quality of governance is included in the evaluation of existing and potential service providers.

Public Authorities and service providers acknowledge a mutual interest in maintaining appropriate standards of accountability, governance and mutual responsibility to exercise appropriate management of public funds in a manner that is transparent, effective and efficient.

**Relationship-based Service Agreement Management**

Service agreement management is the process that ensures Public Authorities and service providers meet their obligations under the service agreement, and that deliverables are provided to the required standards within the agreed timeframe. To effectively manage a service agreement a collaborative relationship between the Public Authority and service provider, which aligns with the DCSP Policy Partnership Principles and Behaviours, is essential.

Service agreement management should continue throughout the life of the service agreement and is a means to ensure the desired community, service level and individual outcomes are being achieved. Active service agreement management will enable early identification of any service model improvements that could be modified and negotiated, maximising the effectiveness of the agreement and ensuring sustainable procurement practice.

**Service Agreement Review and Evaluation**

Consistent with the Partnership Principles and Behaviours and the requirements of the Policy, Public Authorities must have a review and evaluation system in place that will meet accountability requirements, measure the achievement of outcomes, and identify areas for improvement. The outcomes of each agreement must be reviewed against the original service objectives, the outcomes of which should feed into the next round of needs assessment.

Public Authorities must ensure their system for review and evaluation of arrangements incorporates the principles of community services sector collaboration, notably, the principle that the parties recognise the value of sharing knowledge and expertise in planning, developing and evaluating services.

Service reviews must be undertaken at appropriate intervals including at the reasonable request of an Organisation to assess service design and delivery, volume of services, sustainable pricing, performance and the achievement of outcomes.
**Three-Month Notice Period**

A minimum of three months’ notice must be provided to an Organisation where a service agreement will cease, not be renewed, or will be substantially reduced.

Receiving formal advice three months prior to the cessation, non-renewal or substantial reduction of a service agreement enables Organisations to work with Public Authorities in transitioning service users to new arrangements, where applicable, and provides a reasonable timeframe for Organisations to make and implement business decisions.

The three-month notice period commences at the point at which certainty is provided by a Public Authority to an Organisation.

**Sustainable Service Delivery**

Sustainable funding is a key factor of sustainable service delivery and enhances the capacity of Organisations to make long-term strategic decisions, attract and retain human capital, manage operational risk, achieve desired outcomes and deliver better value-for-money.

Sustainable service delivery refers to the ability of the Organisation to continue to provide services over a long period. Public Authorities must purchase Community Services at a sustainable price.

**Indexation**

Contracting arrangements are to be indexed in accordance with government policy. The agreement will be indexed at the rate of indexation formulated by the Department of Treasury and published by the Department of Finance’s Government Procurement.

Indexation does not apply to grants.

**Grant Arrangements**

Grants are financial assistance arrangements made for a specific purpose. Grants are generally paid by Public Authorities to Organisations to assist them to carry out their established purpose (or a specific program) and may contain conditions relating to the Organisation’s conduct or activities. A grant agreement (including conditions) is used to formalise a financial assistance arrangement.
Whether a Public Authority wishes to provide a grant to an Organisation is a matter to be determined by that Public Authority. Public Authorities intending to provide grants to Organisations must comply with the requirements of the Policy.

Grant Agreements may be an appropriate arrangement where:

- the grant is linked to a specified purpose and outcome;
- an Organisation requires one-off subsidies, top-ups, seed funding, or funding for a discrete project, innovative trial, pilot program, research of a non-commercial nature, capacity building project or to introduce a new service;
- the grant is for a discrete period; and
- the grant does not constitute the entire financial base of an Organisation.

While grants are provided for a discrete purpose and period, their timeframe may extend beyond a fiscal period. For example, where a Public Authority wishes to provide financial support for a community capacity building project, a grant may be provided for a longer period to enable adequate project planning, implementation and evaluation.

A defining characteristic of grants is that there is generally less oversight by Public Authorities, and less reporting and documentation than for service agreements.

**Compliance Requirements for Grants**

In providing grants, Public Authorities must comply with the following requirements:

- There must be a documented application and approval process for each grant.
- Public Authorities must use the standardised grant agreement documentation to reduce the impost of Organisations having to meet multiple and inconsistent requirements. The documentation must specify, among other things, clear reporting measures relating to the use of grants.
- Public Authorities must ensure that grants are tied to a clearly defined purpose.
- Organisations should be required to provide certification and supporting evidence to Public Authorities that the grant was used for that specific purpose.
- Public Authorities must publicly disclose details of all grants to which the Policy applies, subject to any directives in the Financial Management Act 2006 and Treasurer’s Instructions.
- Public Authorities must ensure the Organisation agrees to provide a properly documented acquittal of the grant funds. This may include a formal annual audit.
of related activities of the Organisation, undertaken in accordance with standards set by the granting Public Authority and consistent with incorporation legislation.

- Public Authorities must ensure that Organisations are aware they may be subject to an audit by the Office of the Auditor General or its representative in certain circumstances, in accordance with the Financial Management Act 2006 or the Auditor General Act 2006.

**Other Flexible Arrangement**

Self-management of individualised funding is a flexible arrangement available to Public Authorities to provide financial assistance directly to eligible individuals to purchase services and support.

Individualised funding arrangements are intended to provide greater opportunities for individuals, families and communities to exercise choice and control over how services are designed and delivered, and optimise an individual’s opportunity to live successfully in the community of their choice.
Reducing the Administrative Burden

In recognition that ‘red tape’ diverts precious organisational resources away from the delivery of services to those who need them, Public Authorities and the not-for-profit community services sector should work collaboratively to reduce the administrative burden associated with the contracting of Community Services.

Standardised Documentation and Guides

Public Authorities must use the standardised documentation developed and maintained by the Department of Finance’s Government Procurement, as specified in any direction or associated practice guide.

All standardised documentation is available on the Department of Finance website: www.finance.wa.gov.au.

Streamlined Reporting and Outcomes Measurement

Public Authorities are accountable for public funds and must gather relevant data from service providers in order to satisfy accountability requirements. However, Public Authorities must consider the administrative burden associated with reporting and therefore ensure all data requested from service providers is necessary to satisfy accountability requirements. Public Authorities should work collaboratively with service providers to identify appropriate data collection methods which measure the achievement of community, service-level and individual outcomes.

In accordance with the Partnership Principles and Behaviours, open communication and transparency between Public Authorities and service providers will ensure reporting requirements do not place an unnecessary administrative burden on service providers. Public Authorities should make clear why data is sought and the purpose for which it will be used. Reporting requirements should be commensurate with the scale and risk of the procurement.

Public Authorities and service providers are encouraged to share data collected during the term of the service agreement.
Definitions

For the purposes of the Policy, the following definitions apply.

**Accountable Authority** means the officer determined under sections 54, 55, or 56 of the *Financial Management Act 2006*.

**Co-design** means to collaboratively design services with service users, Organisations and service providers, and Public Authorities.

**Collaboration** means two or more parties working together to create or achieve the same outcome.

**Community Services** means services that provide support to sustain and nurture the functioning of individuals and groups, to address physical, social and economic disadvantage, maximise their potential, and to enhance community wellbeing.

Types of Community Services include (but are not limited to):

- services that contribute to the building of capacity within the community to respond positively to an identified need;
- services required to address disadvantage for which a collaborative approach is required with the community;
- services that encourage the involvement of volunteers, increased business or community support, or the personal empowerment of recipients of the service; or
- services that contribute to the ability of people to live and participate in the community.

**Integrated Services** means the arrangement where multiple stakeholders, such as government agencies and Organisations, collaborate to provide services to individual service users in a coordinated, efficient and accessible manner to achieve better outcomes.

**Organisation** means a body having corporate status that provides Community Services funded or purchased by Public Authorities. Some examples include not-for-profit community services organisations and local government authorities.

**Outcome**

**Individual outcome** means the desired changes, benefits, learnings or effects that occur for the individual as a result of a community service.
**Service level outcome** means the desired changes, benefits, learnings or effects that occur within the community as a result of a community service.

**Community outcome** means the desired impact or change sought to be achieved in the community.

**Procurement** means the entire process for obtaining resources (human, material, facilities and services). It can include planning, design, standards determination, specification writing, preparation of quotation and tender documentation, selection of service providers, financing, contract administration, relationship management, disposals and other related functions.

**Public Authority** means an agency as defined in the *Financial Management Act 2006* section 3, other than a university.

**Stakeholder Engagement** means to undertake a planned process of working with identified stakeholders to achieve a defined purpose.

**Sustainability** means the ability of an Organisation to continue to provide services over a long-term period, and depends on the ability of that Organisation to secure funds to meet the full cost of service delivery, attract and retain human capital, and manage operational risk.