

## 6 Funding 2011–12

### 6.1 Introduction

The Department of Human Services provides direct services and funds for approximately 1,000 organisations to provide services in the areas of:

- child protection and family services
- youth services and youth justice services
- assistance and support to women, youth and communities
- disability services
- housing assistance
- concessions to pensioners and beneficiaries.

This section provides information about the department's funding, unit prices, funding policy framework, subsidies and reimbursements.

### 6.2 Department of Human Services funding

Distribution of organisations by funding level as at April 2011

Funding level band	Number of Organisations by aggregate DHS funding	Funding per band by output group						Total
		Child Protection and Family Services	Youth Services and Youth Justice	Empowering Individuals and Communities	Disability Services	Housing Assistance	Concessions to Pensioners and Beneficiaries	
To \$20,000	402	71,724		2,860,793	92,739	40,361		3,065,617
\$20,001 to \$50,000	81	303,883	23,683	1,906,197	452,351	208,649	50,000	2,944,763
\$50,001 to \$100,000	129	753,742		6,586,555	1,815,410	971,887	70,000	10,197,594
\$100,001 to \$250,000	257	3,610,120	688,631	20,313,445	9,453,039	3,418,503	562,857	38,046,595
\$250,001 to \$500,000	89	6,772,572	396,649	3,477,596	12,466,057	7,606,686	1,800,443	32,520,002
\$500,001 to \$1,000,000	84	14,025,753	2,958,279	1,849,624	27,793,998	15,346,398	71,862	62,045,913

\$1,000,001 to \$2,000,000	94	20,222,270	4,824,048	2,203,417	71,705,855	24,301,514	6,235,611	129,492,715
\$2,000,001 +	157	265,434,551	10,978,770	663,708	587,033,052	129,980,165	4,287,653	998,377,900
Total	1,293	311,194,615	19,870,059	39,861,334	710,812,502	181,874,165	13,078,425	1,276,691,100

Concessions to P&B includes Government funding for recovery, support and case management services for survivors of the 2009 bushfires and 2010/11 floods.

Empowering Individuals and Communities consists of approved funding for period 1 July 2010 - 30 June 2011.

Funding level band	Organisations funded per output group					
	Child Protection and Family Services	Youth Services and Youth Justice	Empowering Individuals and Communities	Disability Services	Housing Assistance	Concessions to Pensioners and Beneficiaries
To \$20,000	7		377	14	4	
\$20,001 to \$50,000	9	1	52	14	6	1
\$50,001 to \$100,000	11		84	30	12	2
\$100,001 to \$250,000	26	6	181	67	31	6
\$250,001 to \$500,000	27	5	25	51	31	9
\$500,001 to \$1,000,000	32	10	17	46	31	1
\$1,000,001 to \$2,000,000	32	12	8	61	30	9
\$2,000,001 +	77	26	13	118	55	9
Total	221	60	757	401	200	37

Organisations providing services in only one Output Group = 1,049

Organisations providing services in two Output Groups = 140

Organisations providing services in three Output Groups = 72

Organisations providing services in four Output Groups = 29

Organisations providing services in five Output Groups = 3

Organisations providing services in all Output Groups = 0

### 6.3 Unit prices

Output Group name	Output name	Activity ID	Activity name	Funding item	Measure	Unit Price - July 2011
Child Protection and Family Services	Family and Community Services	31235	Sexual Assault Support Services	Long	Clients	4,082.00
Child Protection and Family Services	Family and Community Services	31235	Sexual Assault Support Services	Medium	Clients	2,034.00
Child Protection and Family Services	Family and Community Services	31235	Sexual Assault Support Services	Crisis care	Clients	655.23
Child Protection and Family Services	Family and Community Services	31235	Sexual Assault Support Services	Short	Clients	511.52
Child Protection and Family Services	Family and Community Services	31245	Integrated Family Services	Entry	Clients	800.22
Child Protection and Family Services	Family and Community Services	31245	Integrated Family Services	Entry - Child FIRST	Clients	800.22
Child Protection and Family Services	Family and Community Services	31245	Integrated Family Services	Short Response	Clients	3,201.00
Child Protection and Family Services	Family and Community Services	31245	Integrated Family Services	Long Response	Clients	8,803.00
Child Protection and Family Services	Family and Community Services	31246	Integrated Family Services - Indigenous	Entry - Child FIRST	Clients	800.22
Child Protection and Family Services	Family and Community Services	31246	Integrated Family Services - Indigenous	Short Response	Clients	3,201.00
Child Protection and Family Services	Family and Community Services	31246	Integrated Family Services - Indigenous	Long Response	Clients	8,803.00
Child Protection and Family Services	Family and Community Services	31246	Integrated Family Services - Indigenous	Entry	Clients	800.22
Child Protection and Family Services	Family and Community Services	31256	Early Parenting Centre Services	Residential Core	Clients	3,132.00
Child Protection and Family Services	Family and Community Services	31256	Early Parenting Centre Services	Day Stay	Clients	371.20
Child Protection and Family Services	Family and Community Services	31256	Early Parenting Centre Services	Home Based	Clients	5,417.00
Child Protection and Family Services	Family and Community Services	31259	Early Parenting Centres - PASDS	Residential	Clients	10,843.00
Child Protection and Family Services	Family and Community Services	31259	Early Parenting Centres - PASDS	Home Based	Clients	10,833.00
Child Protection and Family Services	Family and Community Services	31260	ACCO Services - Family and Community Services	Entry	Clients	800.22
Child Protection and Family Services	Family and Community Services	31260	ACCO Services - Family and Community Services	Entry - Child FIRST	Clients	800.22

Output Group name	Output name	Activity ID	Activity name	Funding item	Measure	Unit Price - July 2011
Child Protection and Family Services	Family and Community Services	31260	ACCO Services - Family and Community Services	Short Response	Clients	3,201.00
Child Protection and Family Services	Family and Community Services	31260	ACCO Services - Family and Community Services	Long Response	Clients	8,803.00
Child Protection and Family Services	Specialist Support and Placement Services	31205	Home Based Care- Adolescent Community Placement	General	Placements	13,758.00
Child Protection and Family Services	Specialist Support and Placement Services	31205	Home Based Care- Adolescent Community Placement	Intensive	Placements	20,637.00
Child Protection and Family Services	Specialist Support and Placement Services	31205	Home Based Care- Adolescent Community Placement	Complex	Placements	27,515.00
Child Protection and Family Services	Specialist Support and Placement Services	31214	Home Based Care- General	General	Placements	13,758.00
Child Protection and Family Services	Specialist Support and Placement Services	31216	Home Based Care- Complex	Complex	Placements	27,515.00
Child Protection and Family Services	Specialist Support and Placement Services	31304	Forgotten Australians Support Services	Planned Support	Clients	829.75
Child Protection and Family Services	Specialist Support and Placement Services	31415	Residential Care	Residential Care- Intermediate	Placements	152,642.00
Child Protection and Family Services	Specialist Support and Placement Services	31415	Residential Care	Residential Care - Complex	Placements	218,484.00
Child Protection and Family Services	Specialist Support and Placement Services	31416	Residential Care - Case Management	Residential Care - Inter - Case Manage	Clients	10,624.00
Child Protection and Family Services	Specialist Support and Placement Services	31416	Residential Care - Case Management	Residential Care - Complex - Case Manage	Clients	14,164.00
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	General / 0-7 years	Placement (fortnight)	269.03
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	General / 8-10 years	Placement (fortnight)	280.97
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	General / 11-12 years	Placement (fortnight)	319.13
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	General / 13+ years	Placement (fortnight)	430.39
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Intensive - Level 1 / 0-7 years	Placement (fortnight)	325.08
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Intensive - Level 1 / 8-10 years	Placement (fortnight)	356.43
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Intensive - Level 1 / 11-12 years	Placement (fortnight)	428.11
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Intensive - Level 1 / 13+ years	Placement (fortnight)	601.51

Output Group name	Output name	Activity ID	Activity name	Funding item	Measure	Unit Price - July 2011
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Intensive - Level 2 / 0-7 years	Placement (fortnight)	435.23
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Intensive - Level 2 / 8-10 years	Placement (fortnight)	473.43
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Intensive - Level 2 / 11-12 years	Placement (fortnight)	571.58
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Intensive - Level 2 / 13+ years	Placement (fortnight)	802.21
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Complex - Non HRA	Placement (fortnight)	869.87
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Complex - HRA / Minimum	Placement (fortnight)	1,218.00
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Complex - HRA / Maximum	Placement (fortnight)	1,360.00
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	New Placement Loading (6 months)	Loading (fortnight)	54.47
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Educational & Medical Expenses / Threshold	Threshold (fortnight)	36.78
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Therapeutic Foster Care / 0-7 years	Placement (fortnight)	545.51
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Therapeutic Foster Care / 8-10 years	Placement (fortnight)	583.72
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Therapeutic Foster Care / 11-12 years	Placement (fortnight)	681.85
Child Protection and Family Services	Specialist Support and Placement Services	31417	Home Based Care - Care Giver Reimbursement	Therapeutic Foster Care / 13+ years	Placement (fortnight)	912.48
Child Protection and Family Services	Specialist Support and Placement Services	31418	Home Based Care - Intensive	Home Based Care - Intensive	Placements	20,637.00
Youth Services and Youth Justice	Community Based Services	32129	Adolescent Mediation - Finding Solutions	Adolescent Mediation	Clients (daily average)	3,587.00
Disability Services	Individual Support	17008	Outreach Support	Lead Tenant Volunteer Coordination	Hours	40.76
Disability Services	Individual Support	17008	Outreach Support	Accommodation Outreach Support	Hours	37.30
Disability Services	Individual Support	17010	Respite	Community-W'end & P'hol Base Staff	Two Staff	145,163.00
Disability Services	Individual Support	17010	Respite	Community-W'end& P'hol Extra Staff	One Staff	72,583.00
Disability Services	Individual Support	17010	Respite	Facility - Sleepover Allowance	Sleepover (per annum)	34,690.00

Output Group name	Output name	Activity ID	Activity name	Funding item	Measure	Unit Price - July 2011
Disability Services	Individual Support	17010	Respite	Community - Weekend - Base Staff	Staff	2,525.00
Disability Services	Individual Support	17010	Respite	Community - Weekend - Extra Staff	Staff	1,261.00
Disability Services	Individual Support	17010	Respite	Community - 24 hour Care Shifts	Shifts	471.59
Disability Services	Individual Support	17010	Respite	Facility - 24 Hour Worker	Shifts	471.59
Disability Services	Individual Support	17010	Respite	Facility - 8 Hour Worker	Hours	43.51
Disability Services	Individual Support	17010	Respite	Respite Coordination	Hours	42.12
Disability Services	Individual Support	17010	Respite	Volunteer Coordination	Hours	40.76
Disability Services	Individual Support	17010	Respite	Community - Direct Care Staff	Hours	37.30
Disability Services	Individual Support	17010	Respite	In-Home - Direct Care Staff	Hours	37.30
Disability Services	Individual Support	17022	Day Services	Day Support Level 5	EFT (per annum)	27,653.00
Disability Services	Individual Support	17022	Day Services	Day Support Level 4	EFT (per annum)	24,964.00
Disability Services	Individual Support	17022	Day Services	Day Support Level 3	EFT (per annum)	16,977.00
Disability Services	Individual Support	17022	Day Services	Day Support Level 1	EFT (per annum)	9,168.00
Disability Services	Individual Support	17022	Day Services	Day Support Level 2	EFT (per annum)	10,872.00
Disability Services	Individual Support	17022	Day Services	Day Support Lvl 5+ Special Facility	EFT (per annum)	31,846.00
Disability Services	Individual Support	17025	Aids and Equipment	Professional Services	Hours	68.64
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options (Agency Cost Payment)	FO Agency Payment	18,559.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options / Brokerage-High	Brokerage - High	14,208.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options / Brokerage-Very High	Brokerage - Very high	14,208.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options / Brokerage-Moderate	Brokerage - Moderate	7,105.00
Disability Services	Individual Support	17034	Flexible Support Packages	Making a Difference - Complex Case Mgt	Hours	49.44
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 0-7 High	Client	12,048.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 0-7 Moderate	Client	8,434.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 0-7 Very High	Client	14,459.00

<b>Output Group name</b>	<b>Output name</b>	<b>Activity ID</b>	<b>Activity name</b>	<b>Funding item</b>	<b>Measure</b>	<b>Unit Price - July 2011</b>
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 8-10 High	Client	14,544.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 8-10 Moderate	Client	10,183.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 8-10 Very High	Client	17,457.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 11-12 High	Client	17,490.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 11-12 Moderate	Client	12,246.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 11-12 Very High	Client	20,990.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 13+ High	Client	24,508.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 13+ Moderate	Client	17,155.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 13+ Very High	Client	29,411.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 16-17 High	Client	19,587.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 16-17 Moderate	Client	12,197.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 16-17 Very High	Client	24,490.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 18-20 High	Client	18,927.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 18-20 Moderate	Client	11,538.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 18-20 Very High	Client	23,832.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 21+ High	Client	15,547.00
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 21+ Moderate	Client	8,157.00

Output Group name	Output name	Activity ID	Activity name	Funding item	Measure	Unit Price - July 2011
Disability Services	Individual Support	17034	Flexible Support Packages	Family Options Caregiver reimbursement 21+ Very High	Client	20,450.00
Disability Services	Individual Support	17034	Flexible Support Packages	Complex Case Management (social worker)	Hours	49.44
Disability Services	Individual Support	17034	Flexible Support Packages	Personal Support	Hours	37.30
Disability Services	Individual Support	17034	Flexible Support Packages	Respite (in-home or community worker)	Hours	37.30
Disability Services	Individual Support	17034	Flexible Support Packages	Service coordination	Hours	38.90
Disability Services	Individual Support	17034	Flexible Support Packages	Therapy (Professional Services)	Hours	68.64
Disability Services	Individual Support	17081	Individual Support Packages	Therapy (Professional Services)	Hours	66.55
Disability Services	Individual Support	17081	Individual Support Packages	SNA Level 3	EFT (per annum)	16,977.00
Disability Services	Individual Support	17081	Individual Support Packages	SNA Level 4	EFT (per annum)	24,964.00
Disability Services	Individual Support	17081	Individual Support Packages	SNA Level 5/5+	EFT (per annum)	27,653.00
Disability Services	Individual Support	17081	Individual Support Packages	5+ Special Facility Based Service	EFT (per annum)	31,846.00
Disability Services	Individual Support	17081	Individual Support Packages	SNA Level 1	EFT (per annum)	9,168.00
Disability Services	Individual Support	17081	Individual Support Packages	SNA Level 2	EFT (per annum)	10,872.00
Disability Services	Individual Support	17201	Futures for Young Adults	FFYA 5+ Special Facility Based Servi	EFT (per annum)	31,846.00
Disability Services	Individual Support	17201	Futures for Young Adults	FFYA Level 5/5+	EFT (per annum)	27,653.00
Disability Services	Individual Support	17201	Futures for Young Adults	FFYA Level 4	EFT (per annum)	24,964.00
Disability Services	Individual Support	17201	Futures for Young Adults	FFYA Level 3	EFT (per annum)	16,977.00
Disability Services	Individual Support	17201	Futures for Young Adults	FFYA Level 2	EFT (per annum)	10,872.00
Disability Services	Individual Support	17201	Futures for Young Adults	FFYA Level 1	EFT (per annum)	9,168.00
Disability Services	Information, Planning and Capacity Building	17028	Case Management	Chronic Illness Case Management	Packages	15,322.00
Disability Services	Information, Planning and Capacity Building	17028	Case Management	Complex Case Mgt (Social Worker)	Hours	49.44

Output Group name	Output name	Activity ID	Activity name	Funding item	Measure	Unit Price - July 2011
Disability Services	Information, Planning and Capacity Building	17028	Case Management	Statewide Serv Coord (Social Worker)	Hours	47.11
Disability Services	Information, Planning and Capacity Building	17028	Case Management	Welfare Support Serv (Welfare Worker)	Hours	39.76
Disability Services	Information, Planning and Capacity Building	17033	Information Services	Two Units	2 EFT (per annum)	204,525.00
Disability Services	Information, Planning and Capacity Building	17033	Information Services	One Unit	1 EFT (per annum)	104,486.00
Disability Services	Residential Accommodation Support	17016	Shared Supported Accommodation	Sleepover	Sleepover (per annum)	35,553.00
Disability Services	Residential Accommodation Support	17016	Shared Supported Accommodation	24 Hour Worker	Shifts	483.33
Disability Services	Residential Accommodation Support	17016	Shared Supported Accommodation	8 Hour Worker	Hours	44.60
Disability Services	Targeted Services	17006	Criminal Justice Services	Supported Accommodation (interim)	Persons (per annum)	91,696.00
Disability Services	Targeted Services	17006	Criminal Justice Services	Crisis/Emergency Accom (interim)	Persons (per annum)	86,015.00
Disability Services	Targeted Services	17006	Criminal Justice Services	Outreach (interim)	Persons (per annum)	5,782.00
Disability Services	Targeted Services	17006	Criminal Justice Services	Counselling (interim)	Persons (per annum)	5,156.00
Disability Services	Targeted Services	17023	Independent Living Training	Professional Services	Hours	68.64
Disability Services	Targeted Services	17023	Independent Living Training	Qualified Assistant	Hours	35.52
Disability Services	Targeted Services	17023	Independent Living Training	Unqualified Assistant	Hours	31.65
Disability Services	Targeted Services	17026	Behaviour Intervention Services	Complex Intervention (interim)	Complex Intervention	7,189.00
Disability Services	Targeted Services	17026	Behaviour Intervention Services	Standard Intervention (interim)	Standard Intervention	3,593.00
Disability Services	Targeted Services	17042	Therapy	Professional Services	Hours	68.64
Disability Services	Targeted Services	17042	Therapy	Qualified Assistant	Hours	35.52
Disability Services	Targeted Services	17042	Therapy	Unqualified Assistant	Hours	31.65
Housing Assistance	Social Housing	91415	Housing Infrastructure - Facilities Management	Community Facilities Management	Community Facilities	3,210.00
Housing Assistance	Social Housing	91421	Housing Advocacy and Support - Advocacy	Advocacy	Occasions	277.77
Housing Assistance	Social Housing	91422	Housing Advocacy and Support - Early Housing	Early Housing Applicants	Occasions	185.19

<b>Output Group name</b>	<b>Output name</b>	<b>Activity ID</b>	<b>Activity name</b>	<b>Funding item</b>	<b>Measure</b>	<b>Unit Price - July 2011</b>
Housing Assistance	Social Housing	91423	Housing Advocacy and Support - Establishment	Establish Successful Tenancies	Occasions	2,407.00
Housing Assistance	Social Housing	91424	Housing Advocacy and Support - Intervention	Intervention in Tenancies at Risk	Occasions	1,411.00
Housing Assistance	Social Housing	91425	Housing Advocacy Support-Secondary Advice	Legal Advice to SHASP providers	Occasions	123.46
Housing Assistance	Social Housing	91426	Housing Advocacy Support-Legal Tenancy Advice	Legal Advice to Social Housing Tenants	Occasions	1,544.00
Housing Assistance	Social Housing	91427	Social Housing Advocacy - Phone Service	Phone Advocacy	Occasions	61.74
Housing Assistance	Social Housing	91432	Housing Infrastructure - TP Support-Tenant Group	Tenant Groups	Groups	1,853.00
Housing Assistance	Social Housing	91452	Housing Infrastructure - Training	Training Days	Days	1,961.00
Housing Assistance	Social Housing	91454	Housing Infrastructure-Garden Management	Garden Plots Managed	Garden Plots	334.19

## 6.4 Department of Human Services funding policy framework

### Funding options

The Department of Human Services' six funding options and the circumstances when each option is most appropriately used are described below.

#### 6.4.1 Funding renewal

Funding renewal is the continuation of funding from one three-year service agreement to the next. This is the most common approach to funding and is often referred to as roll over.

There are many situations where the best value-for-money will be achieved in the most administratively efficient and cost-effective way by renewing an existing service agreement. Funding can be renewed where performance management and needs-based planning processes demonstrate that a provider is:

- continuing to meet the identified need
- meeting the agreed service specifications and contractual requirements
- operating efficiently and effectively
- actively engaged in continuously improving services to provide the best possible service.

#### 6.4.2 Direct allocation

Direct allocation entails no competitive process. The funded organisation would however have to meet set criteria. Direct allocation is appropriate where there are no specific legislative or administrative requirements for a contestable process and can be used when:

- there is only one provider of the services in the geographic area and known to have, or to be able, to develop the skill set required
- clear policy exists to target providers in a particular geographical area or relevant to a particular community of interest
- new or growth funding is distributed to all eligible service providers in the sector
- when there is a need to ensure service continuity for clients
- there is an urgent need for the service to be established and operating
- the cost to administer a contestable process would be a large proportion of the total project costs
- the service being funded is for a particular community requiring specialist local or cultural knowledge possessed by the provider(s)
- there are strategic considerations, such as where regional planning has identified the need to expand the existing capacity of one or more providers with proven performance
- competitive purchasing options have been exhausted and an appropriate provider has not been identified.

#### 6.4.3 Advertised submissions

This method involves a public advertisement requesting proposals from service providers to offer optimum value within a fixed service or unit price. The key factors in selecting providers will be their assessed ability to deliver best value in significant service dimensions such as quality, access and timeliness. Advertised submissions can be used when:

- the focus is on maximising client value for a pre-determined price, and the service sector is large
- the aim is to support the entry of smaller, innovative providers
- service outputs cannot be tightly specified
- providers will be involved in 'needs' identification, service planning and service specification as part of a partnership relationship
- cooperation between providers is encouraged in the interest of clients and communities
- more flexibility is required as part of the funding process to negotiate with providers to achieve a best value outcome.

Where practicable, a process enabling input from services partners, for example by publishing an exposure draft (request for information – RFI) and inviting comments prior to advertising.

At the end of the period, the service agreement would normally be rolled over without a further competitive process, subject to service planning and performance review. Where the service requires redevelopment or the provider's performance had persistently fallen below minimum standards, a call for submissions would again be advertised at service-renewal time.

#### 6.4.4 Invited submission process

An invited submissions process is similar to an advertised submissions process, but with less open competition, in which selected providers are asked to make submissions. Again, selection of the service-deliverer would be on the basis of service offering rather than price, and service agreements would be rolled over when completed, subject to service planning and performance review. This process can be used when:

- the service sector is small and known to the department, such that an advertised submission would not yield a larger or more diverse field
- the sector is currently undeveloped or underdeveloped and building provider capacity is part of the aim of the new funding
- clear policy exists to target providers in a particular geographical area or relevant to a particular community of interest.

#### 6.4.5 Competitive tender

Competitive tendering process is rarely used as a funding method. It requires providers to compete, through publicly advertised tendering processes, for fixed term contracts (typically one to three years) which are tightly specified in output terms and subject to monitoring, incentives and sanctions. On completion of the contract, the service is put to tender again. The process is subject to the government procurement policies and relevant guidelines and disclosure requirements, and the approval of the department's Accredited Purchasing Unit (APU). The competitive tender process can be used when:

- competition on price is desired and services and outputs can be tightly specified
- competition is more likely to achieve best result and a competitive market exists
- disaggregation of the overall requirements into elements appropriate for tendering will not have adverse consequences in terms of the service system integration and continuity
- tendering can be shown to have advantage over the use of an advertised submissions process
- the benefits of a competitive process outweigh the costs of tendering.

#### 6.4.6 Funding delegation

Recurrent funding is approved for one financial year at a time.