How FaCS can help you

The Delivering Community Services in Partnership (DCSP) Policy exists to ensure community services are procured in a way that supports the partnership between government and the community services sector, for the benefit of service users. Feedback provided to FaCS has indicated that application of the DCSP Policy has been inconsistent at times.

For service providers:
Are you uncertain whether a government agency is procuring services in line with the DCSP Policy? Have you encountered issues with the contract management of your service agreement that you would like to discuss with an external party? FaCS can assist in investigating these issues to clarify and address your concerns.

FaCS can:
• Seek information from all parties to clarify a situation;
• Provide clarification to service providers on how a procurement process has been undertaken;
• Provide advice to government agencies on how to improve procurement or service agreement management practices; and
• Assist with discussions between service providers and government agencies.

FaCS cannot:
• Overturn decisions made about the award or extension of service agreements;
• Force service providers and government agencies to come to an agreement; or
• Share confidential information such as the contents of offers received for a procurement process.

Please contact FaCS if you would like to know more about how FaCS can assist you.

For government agencies:
FaCS provides guidance and advice to government agencies regarding the application of the DCSP Policy and community services procurement practice. This advice may focus on key elements such as; planning, co-design, developing qualitative criteria, evaluation and service agreement management. If you have any questions about applying the DCSP Policy or undertaking community services procurement, please contact FaCS, and we will be able to assist you.
Updated DCSP Policy, when will we see change?

FaCS has recently met with several peak bodies to discuss key implementation challenges negatively affecting the intent of the DCSP Policy which aims to improve outcomes for all Western Australians. Key factors discussed included the need for: procurement practice improvement especially around minimum notice periods and contract management practice, better co-design and engagement processes as well as the need for the establishment of a mechanism to enable senior representatives from both government and the NGO sector to engage directly and jointly address sector wide issues. There were a number of ideas floated at this meeting and FaCS will continue to engage with peak bodies on the development and refinement of strategies that will deliver the greatest value to the community.

FaCS will keep you posted on this important collaboration as it moves forward.

Supplementation for 24/7 NHHA Services

The State Government, led by Minister McGurk, has taken on board feedback from peak bodies in regards to sustainability concerns for critical services delivered to the most disadvantaged in the community. To ensure the ongoing delivery of those critical 24/7 social housing services the State Government has agreed to supplementation of up to $1.9 million to support 24/7 services contracted under the National Housing and Homelessness Agreement to address concerns raised by some peak bodies as a result of the Equal Remuneration Order (ERO). The ERO has been in place since 2012 and provides incremental wage increases for employees on the Social and Community Services (SACS) Award as well as employees on the relevant state awards that include similar provisions. Service agreements established after the ERO was handed down are expected to have considered the ERO when pricing their services to ensure sustainable delivery. However, there have been concerns raised by some peak organisations about the sustainability of services for those agreements established prior to 2012. These are services that have not had the opportunity to re-negotiate prices to include the salary increases under the ERO with particular concerns being raised over other 24/7 services. (Continued page 3.)
Supplementation for 24/7 NHHA Services (cont.)

In accordance with the DCSP policy, service providers who have demonstrable sustainability concerns are invited to engage with their contract managers in the first instance to discuss how to address and improve the sustainability of services. For additional assistance or to raise any concerns about how your interaction with your contract manager is going please contact FaCS.

FaCS is currently finalising a financial template that service providers can use to start the dialogue with contract managers. This template will be made available in coming weeks.

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Market-led Proposals Policy

The Department of the Premier and Cabinet recently announced a new Market-led Proposals Policy (the Policy). The Policy enables service providers who have a unique service idea to submit proposals to the State Government for funding. Market-led proposals will go through a multi-stage evaluation process, led by the most suitable government agency to manage the potential procurement. All market-led proposals must represent value-for-money, provide benefits for Western Australians and align with the State Government’s policy objectives.

Market-led proposals must be justified for exclusive negotiation. This means that service providers must be able to provide evidence that they are exclusively able to provide this service, and it should therefore be exempt from an open tender process. You can find out more about the Market-led Proposals Policy on the Department of Finance website.
10 Year Strategy on Homelessness

The Department of Communities is leading the development of a 10-Year Strategy on Homelessness (the Strategy). The Strategy is being developed through a genuine partnership between the community services sector and government through the Supporting Communities Forum Homelessness Working Group. Members of the Working Group have been drawn from the community services sector, peak bodies and government agencies, and have a wealth of knowledge about homelessness and how to address it.

The Working Group has developed a Directions Paper that outlines the key directions that are being proposed for the Strategy. The Directions Paper is the result of extensive consultation that was undertaken in late 2018 across regional and metropolitan Western Australia with service providers, peak bodies, state and local government, and people with lived experience of homelessness. More information about the development of the Strategy, including a copy of the Directions Paper as well as the consultation reports, can be found on the Department of Communities website. It is anticipated that the Strategy will be finalised in mid-2019 and launched in the last quarter of 2019. Contracts funded under the National Housing and Homelessness Agreement (NHHA) will be extended for a minimum of 12 months until 30 June 2020. During this time, it’s anticipated that co-design processes for the service design elements will be undertaken with the community services sector.

WACOSS Introduction to Outcomes Measurement Webinar

WACOSS has developed a useful webinar to help agencies and not-for-profit organisations measure outcomes. The webinar provides an explanation of program logic, theory of change and other useful tools and methods for outcomes measurement.

Check out WACOSS’ Introduction to Outcomes Measurement Webinar, or access the webinar resources.
Costing and pricing services

When considering pricing for services in response to a Request for Offers, service providers should consider all their costs to deliver the service. This includes costs under the federal and state Community Services (SACS) awards, particularly the increasing pay rates for community services employees under the Equal Remuneration Order. Additionally, service providers should factor in costs associated with reporting and evaluating service level and community level outcomes of the service. Depending on the scope of the service, this may include outsourcing the monitoring and evaluation process, acquisition of tools or systems and/or an allocation of full time equivalent of a staff member to undertake this task. An example breakdown of costs is provided in the table below. This is an example only and not an exhaustive list of all possible costs of providing a service.

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2019/20</th>
<th>2020/21</th>
<th>2021/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>140,000</td>
<td>175,000</td>
<td>210,000</td>
</tr>
<tr>
<td>Administration</td>
<td>2,000</td>
<td>3,125</td>
<td>3,750</td>
</tr>
<tr>
<td>Accommodation</td>
<td>9,000</td>
<td>15,000</td>
<td>18,000</td>
</tr>
<tr>
<td>Operations</td>
<td>30,000</td>
<td>35,000</td>
<td>40,000</td>
</tr>
<tr>
<td>Training</td>
<td>2,000</td>
<td>3,125</td>
<td>3,750</td>
</tr>
<tr>
<td>Research and marketing</td>
<td>2,000</td>
<td>3,125</td>
<td>3,750</td>
</tr>
<tr>
<td>Monitoring and evaluation</td>
<td>7,000</td>
<td>11,000</td>
<td>13,750</td>
</tr>
</tbody>
</table>

If you would like to know more about costing and pricing, FaCS is hosting a [Costing and Pricing Workshop](#) for service providers on 30 May.

Supporting Communities Forum

The latest Supporting Communities Forum Meeting was held on 25 March 2019. For an update on from the meeting, follow [this link](#) to view the latest communique.
Outcomes Measurement in the Australian Community Sector: A National Report Card


The report which included a limited Western Australian organisational response rate of just 53, found that many community services organisations did not have the capacity to adequately measure outcomes. Furthermore there appeared to be a gap between the requirement to report on outcomes and funding to support this activity. FaCS would like to remind all service providers to include the cost of monitoring and evaluation in their service pricing (see the [costing and pricing services article](#) in this Bulletin).

The General Provisions

The General Provisions for the Purchase of Community Services by Government Agencies (General Provisions) form part of all service agreements established under the DCSP Policy. Unless otherwise stated in the service agreement documentation, all clauses of the General Provisions apply to community services service agreements under the DCSP Policy. It is important that both government agencies and service providers are familiar with their rights and responsibilities under the General Provisions. The General Provisions can be found on the [Department of Finance website](#).
Education and Training Opportunities

FaCS runs a range of workshops to assist government agencies and service providers to develop their skills and capabilities in community services procurement. Please take note of the target audience for each workshop to ensure the content is relevant to you.

**Costing and Pricing**  
**Thursday 30 May 2019**  
This workshop will provide an overview of what to consider when developing an offer price for community services in WA. It will address governance principles, understanding financial statements, pricing for financial sustainability, and costing of services. This workshop is designed for service providers from the not-for-profit sector.  
Cost: Free  
Time: 9:00am – 12:00pm  
Location: Albert Facey House – 469 Wellington Street, Perth

**Tendering for Community Services - Karratha**  
**Thursday 6 June 2019**  
This workshop is focused on practical skills and knowledge to assist not-for-profit organisations in tendering for community services. It covers a brief overview of the Delivering Community Services in Partnership Policy and how it applies to community services procurement, the community services procurement process, service agreement management, the request document and how to respond to it with an offer to provide services, and how offers are assessed for a community service.  
Cost: Free  
Time: 9:00am - 12:00pm  
Location: Karratha Leisureplex, Dampier Highway

You can find further details for all FaCS training on the community services sector training page of the [Department of Finance website](http://finance.gov.au).
Hello everyone, I hope you had a lovely Easter break and are enjoying the cooler weather.

The procurement process is underway for an Aboriginal Business Capability Development Program, which will provide training to Aboriginal businesses across the state to improve skills in tendering, business development, marketing and governance. This program will improve capacity for Aboriginal businesses to deliver state government contracts, supporting government agencies to deliver their targets under the Aboriginal Procurement Policy (APP). The Aboriginal Business Expo has been pencilled in for October, watch this space for more details in upcoming Bulletins. FaCS is monitoring the impact of the APP and tracking data on the number of government contracts awarded to Aboriginal businesses.

FaCS is currently scheduling its regional training program, which will be running from June to September. The team will be visiting Karratha, Kununurra, Broome, Geraldton, Port Hedland, Bunbury, Albany, Kalgoorlie and Mandurah. The workshops will cover tendering for community services under the DCSP Policy, tendering for goods and services under the APP, and tendering for works under the APP. Keep an eye on the FaCS training webpage for updates on regional sessions.

FaCS recently welcomed Fiona Smart to our team as an Acting Senior Policy and Research Officer on a three month placement. Fiona is stepping in for Emily Bulbeck who has taken up a temporary role outside of FaCS. Fiona has a huge amount of experience in procurement with Finance’s Agency Procurement Services Directorate and will offer invaluable practice insight to the team. Welcome Fiona!