



Department of
Primary Industries and
Regional Development

Protect
Grow
Innovate

Agency Commissioning Plan

2023 to 2027



Introduction

The Western Australian Government released the State Commissioning Strategy for Community Services (the Strategy) in August 2022, with the purpose of shaping a more coherent and holistic approach to delivering sustainable human and community services outcomes.

Commissioning as a delivery model is currently limited in focus within the Department of Primary Industries and Regional Development (DPIRD) to its Community Resource Centre (CRC) program. There may be an opportunity to expand the use of commissioning across the department, but this needs to be investigated to determine opportunities.

The focus of this initial DPIRD Agency Commissioning Plan (ACP) is on ensuring the key building blocks of planning, resourcing and engagement are in place to ensure that initiatives focus on sustainable approaches of importance to the community.

As a result, this initial plan is about ensuring that DPIRD builds on its current efforts and establishes the structures and processes that are needed for future ACPs to deliver the intended value. The plan is a vehicle for DPIRD to proactively consider commissioning opportunities and to do so in concert with community groups through ongoing and supportive collaboration.

In its most basic form, DPIRD's ACP will deliver the following two outcomes:

1. Identify and evaluate existing and new grant agreements to determine whether they would better serve the community as community services agreements or remain as grant agreements.
2. Prepare for the next round of CRC contract approvals in 2027, including working with Aboriginal Controlled Community Organisations (ACCOs) to expand current arrangements, identifying opportunities for commissioning.

Background

What is commissioning?

Commissioning as a means of delivering community services involves the use of a service agreement, which is a contractual arrangement between a state agency and a service provider to deliver services for which there is an ongoing community need under the Delivering Community Services in Partnership (DCSP) policy.

It differs from a grant, which is a financial assistance arrangement made for a specific purpose or project and differs from a standard contract for goods or services procurement, which focuses on the receipt of goods or services by the department.

What is the WA Commissioning Strategy?

The strategy has been developed to improve how government works with organisations to deliver community services to Western Australians in need. The strategy introduces strategic commissioning at the centre of decision making and includes 4 key themes with guiding principles as shown below.

Themes	Guiding principles
A community and person-centred approach focused on outcomes.	<ul style="list-style-type: none">• Prioritise outcomes for service users through community and person-centred and outcomes-focused commissioning that delivers social value at an individual and population level.• Plan and design integrated and place-based services, with a focus on moving from prevention to early intervention.
A sustainable system	<ul style="list-style-type: none">• Commission sustainable services, at a fair and appropriate price that deliver value.• Develop a competent workforce of commissioners and service providers with necessary capability and capacity.• Drive continuous improvement of the system through strengthened monitoring, evaluation and review of services and outcomes.
Inclusive services – focus on Aboriginal outcomes and partnerships	<ul style="list-style-type: none">• Services are co-designed and locally led.• Engagement is led and informed by Aboriginal, Culturally and Linguistically Diverse (CALD) communities and other priority groups, ensuring needs are recognised within government strategies at a whole-of-system level.• Prioritise Aboriginal empowerment in the delivery of outcomes for Aboriginal people, organisations and communities.
Well-led, supported and transparent system	<ul style="list-style-type: none">• Work to establish a whole-of-system approach with clear roles, responsibilities and mechanisms for central oversight and system accountability.• Develop a quality evidence base to support fair and transparent decision making.

Implementation of the Agency Commissioning Plan (ACP) framework is the key tool to plan and monitor progress towards a whole-of-government commissioning approach under the State Commissioning Strategy. The ACP framework is based on a minimum 2-year cycle and the resulting plans will provide an update on the strategic commissioning activities of line agencies. The ACPs are expected to include:

- the prioritisation of Aboriginal Community Controlled Organisations (ACCOs) commissioning activities to be undertaken as part of the ACCO Strategy
- implementation of integrated and place-based services
- the sustainability of community services
- agency capacity and capability to undertake commissioning and the approach to co-design or collaboration.

During the development of ACPs, proactive consideration of commissioning opportunities to support the WA Government's achievement of Closing the Gap (CTG) requirements improving outcomes for Aboriginal people in WA must be considered.

The ACPs provide a mechanism to clearly communicate with the sector and government how line agencies are driving change at a departmental and individual service or program level. They will link to agency budget considerations and provide transparent information which is expected to lead to opportunities for greater collaboration across line agencies.

Section 1 – DPIRD Agency Commissioning Plan 2023 to 2027

Commissioning as a delivery model is currently limited in focus within DPIRD to its Community Resource Centre (CRC) program. The CRC program currently involves Service Agreements with 90 CRCs. These agreements were established after an extensive community services procurement process and was endorsed by the Department of Finance's Community Services Procurement Review Committee, resulting in 5-year Service Agreements that run from 1 July 2022 to 30 June 2027.

The DPIRD ACP is based on 2 key areas of activity:

- preparing for the next round of CRC contract approvals in 2027 (including working with ACCOs to expand current arrangements)
- taking the opportunity to expand the use of commissioning across other areas of the department within a clear framework that is incorporated into the department's planning and performance management cycles, is phased, and is applied to viable and sustainable community services.

Expanding the role of commissioning: short term – 2023 to 2025

The focus of the first 2 years of the DPIRD ACP is on ensuring the key building blocks of planning, resourcing and engagement are in place to support commissioning beyond the CRC program. This involves:

Agency frameworks and governance

- Establishing a lead area in DPIRD for agency-wide coordination and ongoing engagement with the Department of Finance (DPIRD's Chief Procurement Officer and the Procurement Team – August 2023)
- Establishing or modifying key processes, governance, data, and decision-making structures to better support and enhance future commissioning activities.
- Identifying existing procurement, grant and schemes of assistance contracts and agreements that may transition to commissioning beyond current agreements. It is anticipated the majority of potential community services agreements may be identified through existing or new applications for grants/schemes of assistance.

Capability

- Identifying training and skills requirements to support commissioning, including the support of specialist commissioning staff.
- Understanding potential resourcing requirements that may arise from an increased focus on developing and managing commissioning approaches.
- It is anticipated that training and/or additional resourcing will only be needed if community services agreements are identified within existing or new grants applications.

Engagement and participation

- Developing a consultation and engagement strategy to raise awareness of best practice when commissioning community services and enhance the capacity of ACCOs to sustainably deliver commissioned services.
- Increasing participation of Aboriginal groups in the scoping and commissioning of services.

An implementation roadmap will be developed internally to ensure responsibilities and milestones for key areas of the department and their executives are clearly articulated and understood.

The roadmap will be used to ensure the department's Corporate Executive team supporting the Director General receive regular reports on progress.

Expanding the role of commissioning: longer term – 2023 to 2027

The focus over the 5-year period is on ensuring that DPIRD embeds and further develops the structures and processes that are needed for future ACPs to deliver the intended value and to proactively consider commissioning opportunities; and to do so in concert with community groups through ongoing and supportive collaboration.

Agency frameworks and governance

- Embed a whole-of-government approach to commissioning community services.
- Embed the approved DPIRD processes for the identification and management of contract types. Grants and/or schemes of assistance agreements must be assessed against the DCSP policy requirements to ensure they are in fact legitimate grant agreements and do not fall under the commissioning strategy.
- Ongoing review of community service requirements within DPIRD.

Capability

- Upskilling of resources for specialist commissioning staff (where and if required).
- Work with community groups to progressively build capability requirements for the operation of commissioning services.
- Incorporate commissioning delivery options into agency strategic planning and long-term budget strategies.
- Incorporate data collection and reporting requirements into scoping of DPIRD business intelligence and enterprise systems requirements.

Engagement and participation

- Ongoing review and updating of engagement strategy to ensure targeted and appropriate engagement with and participation with community stakeholders.
- Reflect an enhanced focus on commissioning in the next iteration of CRC contracts and relationships.

Review and update of the Agency Commissioning Plan

The roadmap and related reporting will also be used to assist in reviewing and refreshing the DPIRD Agency Commissioning Plan in 2025. This will recognise the progress made on the initial building block approach and the evolving agency and community sector capability and allow a reassessment of how and when priorities are implemented.

Section 2 – Commissioning enablers

While the CRC program area has experience with commissioning activities, developing capability across the rest of the agency and its engagement with community organisations will require ongoing effort across a number of areas. As noted in the Department of Finance *Agency Commissioning Plan – Guide 2023*, strategic commissioning is about a different way of thinking and working together to translate community priorities and government strategies into services that support better outcomes for Western Australians. Implementation of the strategy depends on 4 enabling areas:

- Agency commissioning plans
- Governance, accountability and processes
- Capability and capacity
- Data and outcomes

The first step taken in addressing these issues has been to make the department's Procurement team within the Corporate Services pillar as the point of contact for liaising with the Department of Finance and advising department program areas on how commissioning opportunities can be pursued in line with government priorities.

a. Agency commissioning plans

This plan is the initial ACP for DPIRD and will progressively evolve to reflect emerging community and government priorities.

b. Governance, accountability and processes

Commissioning, along with grants and procurement, is one of a suite of options for engaging with the community and the delivery of services. Given the different approaches and methods involved, internal processes and structures will need to be either adjusted, developed or embedded within DPIRD. These will include:

- a governance or oversight group to ensure a whole-of-department approach is understood and pursued. The senior executive chairing this group would provide regular reports to the department's Corporate Executive on progress.
- Establishing standard processes, governance, data and decision-making arrangements to support commissioning, including distinguishing between services procurement, grants and community services procurements methods and when to use.
- Identifying potential community services contracts currently established under a grant/scheme of assistance or any other contract/agreement mechanism that may be more appropriately managed as community service contracts on expiry of current agreements or at assessment of new agreements.

c. Capability and capacity

Extending consideration of commissioning beyond the CRC program will require increasing awareness and understanding of both the intent of commissioning but also a need to build the capabilities required for each stage of the cycle, both within the department and with our partners.

- Upskilling of existing staff and development of supporting guidance, templates and tools to assist an understanding of arrangements.
- Supporting community organisations to develop capability to meet obligations associated with community service agreements.
- Understanding potential resourcing requirements within the community services contract space and include consideration of commissioning as a delivery option in the development of agency strategic plans and budget strategies.

Engagement and participation

Strategic commissioning requires meaningful engagement from government and non-government agencies, service providers and key stakeholders in the broader community at each stage of the commissioning cycle. The planning, design and delivery of services that are community focused rely on ongoing consultation and feedback.

Implicit in all of this is a need to focus on ensuring Aboriginal Community Controlled Organisations (ACCOs) are consulted and represented in the evolution of the plan and on the development and implementation of new CRC agreements.

DPIRD will use this and future iterations of this plan to set clear expectations regarding the areas of focus and timeframes for commissioning. It will also provide and pursue opportunities for stakeholder involvement at each stage of the commissioning cycle.

d. Data and outcomes

DPIRD will develop options to improve the availability of community service agreement, grant, procurement and other financial schemes information in standard financial and program planning and performance reporting for internal and external planning and management purposes. This will include incorporating data collection and reporting requirements into the scoping of DPIRD business intelligence and enterprise systems requirements.

Section 3 – Prioritising Aboriginal people and Aboriginal Community Controlled Organisations

The commissioning strategy's key theme of Inclusive Services focuses on Aboriginal Outcomes and partnerships and is reflected in DPIRD's Strategic Outcome 2 (Capable and empowered communities), which includes the 2 priorities of:

- Deliver models of support and targeted programs that empower Aboriginal people to develop and sustain long-term outcomes that strengthen communities.
- Build the capacity of community, industry and Aboriginal people to work with us to deliver our priorities.

Continued and increasing engagement with ACCOs is an existing area of focus for the CRC program which is the main delivery model of delivering community services within DPIRD.

- Other areas of the department have not been as heavily engaged in commissioning services and the department will need time to better understand the scope of current activities, the opportunities to move current efforts towards increased use of commissioning, and the development and implementation of an engagement strategy with Aboriginal communities and ACCOs. This will be reliant upon DPIRD reviewing and identifying potential community services contracts currently established under a grant/scheme of assistance or any other contract/agreement mechanism that may be more appropriately managed as community service contracts on expiry of current agreements or at assessment of new agreements.

It is for this reason that sections 1 and 2 of this plan focus on 2 streams of activity, the continuation and enhancement of the CRC program, and the development of processes and capabilities within DPIRD and with our stakeholders to ensure a more consistent and comprehensive approach as an agency.

Section 3 of this initial plan focuses on what DPIRD does now, through the CRC program. Future versions will evolve to include the involvement of other elements of the department as those capabilities are developed and implemented.

The role of CRCs

CRCs are committed to developing regional communities and connecting the people of Western Australia. They provide training and education programs, access to business facilities, and information on community events and government services. They also provide access to government and community services and information and undertake community, business and economic development activities.

Each CRC tailors its services and activities to meet the needs of the community, and all CRCs have a priority to assist their community to access government and community information. A strong focus for CRCs is to improve digital literacy to ensure all community members can access online services. This includes online banking, accessing MyGov and general computer knowledge.

There are 103 Community Resource Centres (CRCs) that are funded and supported by the DPIRD.

There are 101 CRCs located in WA and funded by the WA Government and 2 are located in the Indian Ocean Territories and funded by the Commonwealth Government.

Services delivered by CRCs to their communities

CRCs have been provided with 3 service level outcomes to achieve for their communities:

- **Service Level Outcome 1** – Community members are provided with access to WA Government and community information and services.
- **Service Level Outcome 2** – Local businesses and the workforce have access to activities and initiatives that improve skills and capacity to foster economic growth in the local community.
- **Service Level Outcome 3** – Community members have access to activities and initiatives that create or improve community connectedness and capacity.

The CRCs have a pick and mix model of what they deliver under each of these areas and the specific services, activities and events are determined by the service provider based on their inherent knowledge of their location and community needs.

There is a focus by CRCs to improve the skills of the community in the area of digital inclusion and use of technology or provide a conduit to assist the community to engage with government through online government services. All CRCs assist their community in this area, for example loading the Service WA App and ensuring their data was loaded to the app during the COVID-19 initiatives.

As a result, there is not a broad directive from DPIRD about the delivery of services at each location, apart from the agreed quality and quantity, and each location has its own model of delivery for their community.

DPIRD support

DPIRD actively contract manages its agreements with CRCs. This means DPIRD has close day-to-day contact with CRCs to understand their challenges, concerns and opportunities. DPIRD also delivers workshops to support CRCs – both face-to-face and virtually, and a State CRC conference is run bi-annually to enable all CRCs to gather to discuss opportunities for service innovation and improvement.

An evaluation of the CRC program will be undertaken in 2024 to help inform the development of the next round of funding of the CRC program from 1 July 2027.

Prioritising Aboriginal people and Aboriginal Community Controlled Organisations

Ten of the 101 CRCs located in WA are operated by Aboriginal Community Controlled Organisations (ACCOs). These are currently funded through grants due to the more complex nature of community services agreements and the ability of the ACCO to meet contract requirements.

Direct engagement with these providers and removing the need for them to lodge a tender will place DPIRD in the position to be able to transition the current grant funding model over to a community service contracting model.

Many other CRCs are located in towns with a large Aboriginal population but are not run by an ACCO. These towns include:

- Broome
- Marble Bar
- Brookton
- Pingelly
- Gascoyne junction

- Meekatharra
- Mullewa
- Morawa
- Cue
- Laverton
- Leonora
- Menzies.

DPIRD engages with current ACCOs through one-on-one meetings and planned workshops throughout the current life of the contracts. Co-design for the next contract will begin late 2025 and ACCOs will be approached to engage with the broader CRC network and separately to achieve the best outcome for their location and tailoring of services to their community need and their capacity to deliver services.

At this stage, there is no funding to broaden the program to include new service providers, however Aboriginal communities located in the central desert lands, Pilbara and Kimberley would be a priority should additional funding occur.

The CRC program also supports and funds CRCs in Aboriginal communities and regional towns with a large Aboriginal population. The current CRC contract is due to finish on 30 June 2027. More than 10% of CRCs are in Aboriginal communities and towns where most users of the CRC are Aboriginal. This includes:

- Bidadanga, Djarindjin, Irrunytju, Kalumburu, Mowanjum and Tjuntjunjara communities
- the towns of Leonora, Laverton, Meekatharra, Gascoyne Junction, Roebourne, Fitzroy, Coolgardie, Menzies and Halls Creek.

Section 4 – Budgets and resourcing

Commissioning as a delivery model is currently limited in focus within DPIRD to its Community Resource Centre (CRC) program. As noted in Section 3, some of these arrangements are provided as grants rather than community service agreements due to comparative level of complexity of agreements for some organisations to administer.

The department also provides funding outside of the CRC arrangements to community groups and other entities through a range of other grants and schemes of financial assistance.

Before considering the need for additional resourcing, it will be necessary to properly identify and quantify existing community services contracts currently established under a grant or scheme of assistance, or any other contract/agreement mechanism. This would be based on:

- reviewing existing programs and related contracts, grants and agreements to confirm which activities should be considered for a commissioning approach after the completion of their current contracts and grants programs
- engaging and consulting with current and potential service providers on the scope of services and capability to deliver services under these arrangements.

An understanding of both the scope and obligations attached to community services contracts will allow an appreciation of potential resourcing requirements for current and future services providers, and for the administration of such programs, to be recognised in DPIRD resource plans and any future submissions as part of the annual budget cycle.

Attachments

A. Additional information on the Community Resource Centre (CRC) Program

Additional information on Community Resource Centres (CRCs)

The Western Australian Community Resource Network (WACRN) program, previously Telecentre Network, has been operating since 1991 with the majority of funding moving from grants to service agreements in 2014. The WACRN is comprised of Community Resource Centres (CRCs) that are independent not-for-profit (NFP) organisations providing regional communities with access to services that facilitate regional development and build vibrant and sustainable communities.

As independent NFPs, each CRC is responsible for defining its own niche vision, mission and values, and in identifying activities that are relevant and appropriate to their organisation.

As a member of the WACRN, each CRC has 3 key regional development functions:

1. Providing access to government and community information and services
2. Providing economic and business development events, services and projects
3. Providing of social development events, services and projects.

WACRN members are responsible for actively engaging their local community to tailor services and projects to the local context. For example, CRCs may provide opportunities for local community members to be involved in decision making for the types of services and projects to be delivered by the CRCs.

The outcomes focus for the WACRN services is to equip, connect and empower people living in small regional communities. The goal is to improve liveability in the regions and provide access to information and programs that are not readily available in smaller regional communities.

The current service agreement provides funding to 89 service providers delivering WACRN services to 90 communities in regional Western Australia and the Indian Ocean Territories (one provider has 2 locations). The balance of the 103 service providers receive funding through grant arrangements.

The service providers are a mix of locally owned not-for-profit associations incorporated under the *Associations Incorporations Act (WA) 2015* and local government authorities.

Location of service delivery of the WACRN

The current locations of service delivery for the Community Resource Centre (CRC) programs are in towns with a population of between 100 and 4,900 people. More than 50% of the locations have populations of 600 people or less; 75 CRCs have a population of 1,000 or less.

Due to the size of the communities that are supported through the CRC service agreements with DPIRD, there is little to no competition for the delivery of the DPIRD service agreements. Over the current life of the service agreements, there has been a number of towns where CRCs are located that have experienced reduced population and/or service availability. This has made the CRCs more important in these locations as the CRCs have been taking on more of the service delivery in the towns, mainly around postal agency and licensing services. Although these services are not directly related to the DPIRD service agreement, there are relationships to the types of services and support that the service providers are delivering for DPIRD and the new services contracted by Department of Transport and Australia Post.

A review of the service locations was undertaken and it was identified that all the current locations are appropriate and services are used by community members and visitors. A customer satisfaction survey of CRCs was undertaken in September and October 2021 and over 2,500 people completed the survey. The results were very positive with all location data indicating that the community valued the services being available and recognised they would have to access services from another town or via telephone or internet if the CRC was to close.

The decision was made by the then Minister for Regional Development, the Hon Alannah MacTiernan, that the current locations continue to be funded within the current budget and that the service agreements are the priority for the CRC program.

Budget for the WACRN Services

The CRC program budget has been confirmed as an ongoing commitment by the Government fixed at \$13 million per annum and is allocated in the department's forward estimates. This program budget is primarily used for the service agreement payments to CRCs with some smaller initiatives paid through grants to the WACRN and smaller local government authorities located regionally. The current budget allocation will support the cost of the variation to service agreements including indexation payments for the life of the extended contract.

Value for money

The current service agreements have delivered outcomes greater than expected in most locations and the remaining locations are meeting contract requirements. CRCs are able to deliver strong value through:

- working closely with their local government authority (LGA) to tailor services to the needs of the town based on research provided by the LGA
- delivering services and events in partnership with other not-for-profit local community groups
- delivering services and events in partnership with other organisations that have received Commonwealth, State or independent funding allowing for the leveraging of funds to achieve greater impact in delivery of programs
- empowering volunteers to assist in the delivery of projects and services and utilising asset-based community development principles to deliver social capacity building activities. Most CRCs are located in peppercorn lease buildings and funds are able to focus on direct service delivery
- identifying the most effective service delivery timeframes for their community and reducing contact hours to reduce cost (e.g. closing for 2 weeks over summer in Wheatbelt towns when the population decreases after harvest; and reducing hours in wet season in the Kimberley and Pilbara).

Consultation with service providers

In April and May 2022, DPIRD delivered workshops with CRCs to codesign services for the next funding period to 2027 for the CRC program. Over 100 participants attended one-day face-to-face workshops in Perth, and a further 40 participants engaged via video conference sessions.

These workshops provided CRCs the opportunity to advise what was working well with the current service agreement, what needed to be improved and what (if anything) they would like to change. The key messages from participants attending the workshops were very

consistent at each session, with the following comments about the current contract and funding of the WACRN as feedback at each session:

- CRCs are able to relate to, and deliver against each of the current service level outcomes (SLOs).
- CRCs are finding the current service agreement very flexible and has worked well during standard delivery and during COVID lockdown and regional travel restrictions.
- CRCs would like further work undertaken to improve reporting processes to ensure ease and consistency.
- CRCs are happy to continue to deliver against the current SLOs with the process of adjusting volumes and areas of focus to best reflect the needs and delivery of each location.
- CRCs do not want to see a reduction in locations in the WACRN to increase the funding per location, if this is the only way in which funding increases can be achieved.

Process for maintaining sustainability of service

DPIRD has worked with each of the service providers to ensure that the service delivery is sustainable, with DPIRD agreeing to requested variations with the service providers regarding volume and type of services delivered, as required.

All requests for changes to service agreements have been resolved between DPIRD and the service providers with no external mediation required.

Reporting under the program

Current reporting under the contract consists of:

- 6-month report on quantitative delivery
- one qualitative outcome report per annum
- one self-assessment health check (checklist of governance and service frameworks)
- one annual report per annum
- lodgement of insurance certificates of currency.

DPIRD provides templates for all reporting (annual report template is not mandatory if the organisation has its own preferred annual report style).

To ensure that the current reporting framework is appropriate moving forward, DPIRD has established a working group with service providers to review and recommend any improvements.

This working group has been well received with 20% of service providers forming the group. The scope of the working group is to review the service agreement management requirements to identify areas where reporting could be further streamlined to reduce cost to service providers in meeting the reporting for the agreement.