

Aged and Community Services Tasmania
 Alcohol, Tobacco and other Drugs Council
 Family Support Services Association
 Mental Health Council of Tasmania
 Multicultural Council of Tasmania
 National Disability Services
 Shelter Tasmania
 Tasmanian Council of Social Service
 Tasmanian Association of Community Houses
 Volunteering Tasmania
 Youth Network of Tasmania



Peaks Network Response:

Integrated Finance and Performance and Quality and Safety Recommendations

This response has been developed by the Peaks Network. A draft version of this response was sent by Peak Bodies to their membership at the beginning of April. Having received member feedback this response has been finalised.

The Peaks Network look forward to DHHS' response and the next steps in moving ahead with both reforms.

Integrated Finance and Performance Recommendations		
Recommendation	DHHS view	Peaks Network view
<p>1. Combine the Quality and Safety Standards Framework and the Integrated Finance and Performance Framework into a single "OCS Integrated Performance Framework".</p>	<p>Accepted subject to the approval of the Quality and Safety business case by Departmental Executive.</p>	<p>Supported.</p> <p>The success of the implementation of a new framework will be dependent on appropriate resourcing for CSOs and within DHHS.</p> <p>It is therefore concerning that the Quality and Safety Business Case includes no resourcing for organisations. It is also unclear from the documents that have been released about the level of additional resourcing that DHHS will commit to implementing the finance and performance framework.</p> <p>The Peaks Network is concerned that without additional resourcing all of this work may be implemented more in words and less in substance, which will be a poor outcome for all.</p> <p>It will also be crucial that there is clear understanding on roles and responsibilities within DHHS.</p>
<p>2. Incorporate the Quality and Safety Standards Framework and the Integrated Finance and Performance Framework as key elements within the Tasmanian Compact or Partnership Agreement.</p>	<p>Accepted.</p> <p>The proposal to develop a Compact or Partnership Agreement by July 2009 is included in the Office for the Community Sector Strategic Plan 2008 - 2010.</p> <p>An integrated Framework will provide the Office for the Community Sector and the Community Sector with clear direction on reforms being implemented, and the defining characteristics of future working relationships. Including the Framework in a Compact or Partnership Agreement will assist in clarifying the roles and relationships between the Department and the Sector.</p>	<p>Not supported.</p> <p>The Peak Networks view is that the industry needs a new agreement with Government, and not just DHHS. This is the position in the Community Services Industry Plan.</p> <p>Any agreement must include a clear agenda of work to tackle key issues that affect viability and sustainability, and this goes substantially beyond the current reforms.</p> <p>Learning from other jurisdictions and research highlights that a Compact that defines processes is insufficient and unlikely to lead to any change.</p> <p>The timeframe for any agreement should be June 2010.</p>

Integrated Finance and Performance Recommendations		
Recommendation	DHHS view	Peaks Network view
<p>3. Develop a “CSO Communications Strategy” to address the issues associated with the proposed Tasmanian Compact, the Quality and Safety Standards and Integrated Finance and Performance Frameworks, and the other initiatives and reforms affecting the community sector in a consistent manner and from a “whole of DHHS” perspective.</p>	<p>Accepted.</p> <p>The Office for the Community Sector recognises the importance of good communication at all levels and in all directions during periods of change and reform.</p> <p>A multifaceted and comprehensive communication strategy has been developed by Office for the Community Sector and includes regular community forums and consultations, newsletters, individual meetings, liaison with intermediaries such as Peak Bodies, and an internet portal (communityExpress)</p> <p>The communication strategy is continually updated, and will be reviewed in the light of this report.</p>	<p>Supported; however noting the Peaks position on a Compact above, and that clear, consistent, and timely communication is about more than the Office for the Community Sector (OCS).</p> <p>There needs to be clear, consistent and timely communication across DHHS business units. This is not just a task for the OCS.</p>
<p>4. DHHS discuss with Treasury the inclusion of a breakdown of the budgeted Grants and Subsidies Expenses with Budget documentation to:</p> <ul style="list-style-type: none"> enable the identification of the proposed use of grants; assist with accountability by enabling a comparison of the budget to actual expenses at the end of the financial year; and enhance disclosure to the community sector. 	<p>DHHS proposes an alternative approach, which they believe should be accepted in principle, subject to further analysis:</p> <p>Including a breakdown of budgeted Grants and Subsidies expenditure in Budget Papers or the Annual Report is not appropriate because that reporting would be at too low a level compared to other expenditure types.</p> <p>However, the alternative of examining the means for providing additional disclosure outside budget documentation is possible and should be explored.</p>	<p>The principles of the consultant’s recommendation are supported.</p> <p>Transparency in DHHS expenditure is critical for ensuring accountability.</p> <p>The DHHS commitment should go beyond exploring disclosure and commit to implementing a disclosure mechanism in the next financial year. The Peaks acknowledge the DHHS point about budget papers and annual reports, but believe there needs to be a firm commitment from the Department to transparency and accountability.</p>
<p>5. The OCS and DHHS Finance Unit establish an improved reporting structure for all grant funds that will enable grants to be identified and reported across all DHHS Cost Centres.</p>	<p>Accepted.</p> <p>It is agreed that the current systems do not allow for the easy identification and reporting of grant funds management by DHHS Operational Units. The Report notes that the Office for the Community Sector has already identified the need to improve the recording and sharing of grants information across the Department.</p> <p>The new grants management system should allow for the better reporting of all grants, including the ability to analyse information across a range of variables using a range of filters to produce timely and flexible reporting that facilitates evidence based decision making.</p>	<p>Supported.</p> <p>Sufficient resources must be allocated within DHHS to make this happen.</p>

Integrated Finance and Performance Recommendations		
Recommendation	DHHS view	Peaks Network view
6. The OCS continues with the proposed grants management system as planned, and that specific controls over data integrity and continuity of operations be considered within the systems design, implementation and maintenance.	Accepted. As above (recommendation 5), it is agreed that the current systems do not allow for the effective reporting of grant funding. This recommendation will lead to better reporting and more effective management of funding arrangements.	Supported, as above
7. The <i>Contract Review Committee and Procurement Handbook</i> is updated to reflect the new Treasurer's Instruction TI 709 <i>Grants Management Framework</i> ; the Delegations; the requirements of the <i>Disability Services Act 1992</i> ; the altered DHHS organisational structure; and Integrated Finance and Performance Framework.	Accepted. Ensuring Departmental instructions are in line with Tasmanian Treasury Instructions, DHHS Financial Instructions; Delegations; and the requirements of the <i>Disability Services Act 1992</i> is essential to good governance.	Supported
8. The Framework principles be incorporated into the Tasmanian Compact or Partnership Agreement including identifying the roles and responsibilities of DHHS and CSO's. These roles and responsibilities will need to be agreed between the parties as part of establishing the Compact or Partnership Agreement.	Accept in principle. The principles proposed in the draft report should be taken as a starting point for discussion with the community sector.	Not supported. The principles of any partnership agreement should not be confused with the current reforms. Moreover a partnership agreement needs to be about much more than quality and safety and performance, and the principles must be negotiated on that basis. The Peaks Network view is that any partnership agreement needs to be with the Government and not just DHHS. This position is documented in the Community Services Industry Plan.
9. The OCS in conjunction with DHHS Operational and Corporate Units develop a 'Business Case Template' to ensure a consistent and structured assessment of whether and how to form an agreement and to document decisions about confirming funding; defining services; determining the method of agreement; and approval to proceed	Accepted. The recommendation to develop a Business Case Template is a fundamental requirement of the integrated finance and performance framework development. The Business Case Template is the building block for assessing approval to proceed; initiating the funding agreement; managing the funding agreement; and finalising the funding agreement (see pages 33-37, and summary diagram page 4. The proposed methodology is consistent with Treasurers Instruction T1709 Grant Management Framework; Tasmanian Government Project Management Guidelines; and the DHHS Contract Review Committee and Procurement Handbook.	Supported

Integrated Finance and Performance Recommendations		
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<p>10. The OCS develop a 'Risk Assessment Diagnostic Tool' to ensure a consistent and structured assessment of organisational (including financial sustainability) and service delivery risk factors including:</p> <ul style="list-style-type: none"> • CSO organisational governance and management; • service type risks and Quality and Safety Standards; • service volume and capacity risks; and • the value of the funding agreement. 	<p>Accepted.</p> <p>The report recommends that the integrated finance and performance framework include the identification of risk and a scaled response to risk based on community sector organisation characteristics, service type and volume, and the value of the funding agreement.</p> <p>A similar approach is proposed in the Quality and Safety Standards Framework proposed for the community sector, which is to be considered by the Departmental Executive.</p>	<p>Supportive of risk analysis approach, but concerned about potential unintended consequences, particularly if developed in isolation from community service organisations.</p> <p>More work needs to be done by the Department in consultation with community service organisations in relation to the diagnostic tool, its development, and its application.</p> <p>There also needs to be appropriate training and resourcing within the Department to apply the tool.</p>
<p>11. The term 'Funding Agreement' is adopted as the term that describes the form of agreement for funding grants to CSOs. This term will embrace and exchange of letters, a short form of agreement or a long form of agreement</p>	<p>Accepted.</p> <p>The achievement of consistent terminology to distinguish grant funded services from purchasing arrangements will reduce confusion and increase clarity of purpose for funded services provided by community sector organisations.</p>	<p>Supported, but would like clarity that the current indexation formula will not be affected by the change.</p> <p>The consultants report mentions indexation factors, and the Peaks Network would like reassurance that the current indexation factors will continue to apply.</p>
<p>12. The Framework enable longer-term agreements of up to three year length, as long as the agreement is supported by a satisfactory business case and risk assessment.</p>	<p>Accepted.</p> <p>Funding Agreements are currently structured according to the business needs of the Operational Units, including consideration of the ongoing availability of funding. The length of funding Agreements varies between months to three years.</p> <p>The advantages of longer funding timeframes allow community sector organisations and the Department to focus on long term outcomes rather than short term inputs is accepted.</p>	<p>Supported.</p> <p>The Peaks Network are concerned that currently 90% of all agreements are only for one year.</p> <p>The need for more 3 year funding was documented in the Community Services Industry Plan and raised by many members during the Riley and Riley consultations.</p>

Integrated Finance and Performance Recommendations		
Recommendation	DHHS view	Peaks Network view
<p>13. The Framework enables:</p> <p>A quarterly in advance payment based on planned service delivery for the quarter and adjusted for actual services delivered in the following quarter; and</p> <p>where service delivery is not a practicable basis for making payments, equal quarterly installments paid in advance; and</p> <p>A single advance payment of up to \$100,000 for an individual funding agreement, subject to a satisfactory business case and risk assessment.</p> <p>The OCS monitor and report on compliance with payment terms and identify the number and value of payments not made on time. Quarterly reporting should include publication of performance through the DHHS community<i>Express</i> website.</p>	<p>This recommendation should be Accepted in Principle, subject to further consideration and consultation with the Sector.</p> <p>This recommendation is supported in principle, however, the current requirements of the Tasmanian Supply Bill mean that the Department receives 1/12th of the Budget for the month of July. The proposal to make a single up front payment of between \$100,000 to \$150,000 will need to be analysed to understand the implications this may have on cash flow for this period. Further discussions are required with DHHS Finance before progressing this recommendation.</p> <p>As outlined in the report, current payments are generally scheduled at quarterly payments of 40%, 20%, 20%, 20%. A change to equal quarterly payments may have consequences for community sector organisations, and therefore this recommendation should be discussed with the sector before implementation.</p>	<p>Support the change to a single advanced payment where possible. Also support DHHS reporting on its compliance with payment terms to community service organisations.</p> <p>Support the need for further consultation with the sector to determine the impact of any change to the payment scheduled, particularly as the current schedule was negotiated with the sector. The Department therefore needs to clarify at the earliest possible moment how this consultation with the sector will take place.</p>
<p>14. The OCS monitor and report on compliance with payment terms and identify the number and value of payments not made on time. Reporting should include publication through the DHHS community<i>Express</i> website.</p>	<p>Accepted.</p> <p>This recommendation effectively establishes the mechanism for a key performance indicator for the Department in response to complaints from community sector organisations regarding delays in payment and the stress that this causes to organisations. Demonstrating an outcome and client focus is an important strategy for the Office for the Community Sector and operational units.</p>	<p>Supported</p>
<p>15. The Framework enable differing acquittal arrangements depending upon the value of the grants funds involved, the purpose for which the funds are to be used, or level of risk associated with the funding agreement.</p>	<p>Accepted.</p> <p>It is agreed that developing a simplified acquittal process depending on risk to the Department should be progressed.</p>	<p>Supported in principle, but note the need for further consultation with community service organisations.</p> <p>This consultation should consider the specific consultant's recommendations around exchange of letters, short-form agreement and long-form agreement, and any impacts and capacity issues for CSO Boards that might need to be addressed.</p>

Integrated Finance and Performance Recommendations		
Recommendation	DHHS view	Peaks Network view
<p>16. The OCS, in conjunction with DHHS Operational Units and a representative sample of CSOs, prepare a baseline study across all programs that fund CSOs to establish:</p> <ul style="list-style-type: none"> the information currently being requested of CSOs; the purpose for which the information is used; overlaps or gaps in the information requested; and a minimum data set for future reporting requirements. 	<p>Accepted.</p> <p>As noted in the report, there is a high demand from both operational units and community sector organisations for meaningful and consistent information on service activity, minimum data sets, and outcomes achievement.</p> <p>There are a number of minimum data sets currently used or proposed that relate to community sector services, and achieving alignment with these is important. It is also important that data collection both meets the needs of service deliverers and does not impose an unsustainable burden of them.</p>	<p>Supported, but note the need for resourcing within DHHS, particularly to make sure that the Department has the capacity to provide organisations with information back on data that is collected.</p> <p>The baseline study needs to be sufficiently comprehensive and resourced to be of value to streamline current processes.</p> <p>Data set creation in many instances will need resourcing across the CSOs.</p>
<p>17. DHHS Operational Units, in consultation with key stakeholders, develop and maintain outcomes and outcome performance information for all programs involving funding to the community sector</p>	<p>Accepted, with recognition that discussion with Operational Units and the Community Sector regarding appropriate implementation and timelines will be required.</p> <p>One of the major objectives of the integrated finance and performance framework is to develop a strong outcomes focus supported by performance information for all programs involving funding to the community sector. This recommendation is consistent with that objective.</p> <p>The discussion included in the report does not currently reflect the complexity of developing measurable outcomes within some service areas of the Department.</p>	<p>Supported, while noting the need for outcomes to be developed in consultation.</p> <p>The development of meaningful outcomes and outcome performance data will require significant work with individual organisations, sectoral groups, and peak bodies and needs to be fully resourced if the transition to outcomes is to be meaningful.</p> <p>It will be important for resourcing and skill development to take place both within the department and industry. Otherwise, any change to outcomes will be only in words and not in substance.</p> <p>Outcomes also need to be linked to relevant population level data collection and monitoring.</p>
<p>18. The OCS should quality assure funding agreements to ensure that agreements adequately reflect DHHS Program outcomes in a consistent manner, with appropriate and adequate information to support Program Evaluation.</p>	<p>Accepted.</p> <p>The Office for the Community Sector is well positioned to meet this recommendation as a result of its capacity to undertake horizontal assessments across all service Agreements and operational units.</p>	<p>Supported, but more clarity required.</p> <p>The potential for confusion within DHHS around program outcomes and the different roles and responsibilities within the Department is a concern that needs to be addressed.</p>

Integrated Finance and Performance Recommendations		
Recommendation	DHHS view	Peaks Network view
<p>19. The OCS, in conjunction with DHHS Operational Units, Corporate Units and CSOs develop and maintain a consistent set of 'service type' descriptions to be used when describing services within funding agreements.</p>	<p>Accepted.</p> <p>Historically, grant funding has been progressed by individual Operational Units with minimal coordination. This has resulted in multiple service types, many of which are very similar in character, and lack of consistency in service specification.</p> <p>The development of a consistent set of service type descriptions will lead to greater service coordination, minimisation of duplication, improved standardisation, streamlined administration and better costing of services. More efficient administration and management of funding agreements will inevitably lead to administrative savings which can be redirected to service delivery.</p>	<p>Supported</p> <p>This is important and was a key recommendation in the Community Services Industry Plan. However, again it must be done in full consultation with community organisations, particularly as it will impact on the costing of services.</p>
<p>20. The OCS undertake quality assurance reviews of business cases and funding agreements to ensure they adequately address the outcome performance and service delivery quality and quantity standards, including the Quality and Safety Standards Framework requirements appropriate for the nature of the services being funded.</p>	<p>Accepted, pending the outcome of the Departmental Executive consideration of the Quality and Safety Standards Framework business case.</p> <p>This recommendation is consistent with the Quality and Safety Standards Framework proposed for the Community Sector. A business case to implement the Standards Framework has been referred to the Departmental Executive through the Human Services Executive.</p>	<p>Supported, while noting the sectors concern that the quality and safety approach is more about compliance than improvement, particularly given the lack of resources that will be available to organisations to implement quality and safety.</p>
<p>21. The Framework enable funding agreements with two streams of funding identified for the specific purpose of:</p> <ul style="list-style-type: none"> • service delivery funding; and • capacity building and innovation funding. 	<p>Accepted.</p> <p>The current approach to grant funding has evolved through an uncoordinated series of grant agreements establishing funding without overarching coordination. As a result, individual agreements do not have a clear and consistent basis for funding levels and there is a lack of transparency across the system.</p> <p>This has meant that it is relatively easy to set funding precedents, and relatively difficult to change them once set.</p> <p>The establishment of unit costing for specialist services is the responsibility of individual program areas which have the specialist expertise and knowledge to identify the appropriate service elements, and the required resources to ensure quality service provision.</p> <p>The separation of funding for service delivery and funding for capacity building allows for greater transparency in the setting of unit costs for organisations that are diverse in their structure and organisational maturity. Adopting this recommendation will mean greater consistency in setting funding levels for service delivery while maintaining flexibility in relation to capacity building and innovation.</p>	<p>Supported</p> <p>There needs to be more clarity around the different streams of funding, particularly around the relevant unit costs. This work must be done transparently with community service organisations.</p> <p>The consultants report recommends the ongoing application of the current indexation formula and this is supported by the Peaks Network. The Department needs to clarify that this will be the case.</p> <p>There also needs to be clarity about whether the capacity building and innovation funding is available in each business area or will there be one 'bucket' of funding that all CSOs will be able to access.</p>

Integrated Finance and Performance Recommendations		
Recommendation	DHHS view	Peaks Network view
22. Funding agreements state the basis of funding and its relationship to service delivery, or if funding is a contribution to the cost of the CSO.	<p>Accepted.</p> <p>Historically, grant funding was frequently a simple contribution by Government towards the costs of service delivery being incurred by a charitable organisation. As funding for service provision moves beyond the delivery of charitable support there is increasing expectation among community sector organisations that the full cost of service delivery will be met.</p> <p>This recommendation will further increase transparency by specifying the basis for funding.</p>	Supported
23. Funding agreements based on service delivery specify the treatment of surpluses or deficits due to changes in quantity of service delivery.	<p>The report contains limited discussion to support this recommendation, and it is recommended that it be Deferred for further consideration.</p> <p>As outlined in the report, the treatment of grant funding surpluses and deficits is one of the frequent topics of complaint by community sector organisations.</p> <p>As unit costing is introduced it could be anticipated that contract management will focus on appropriately funding outputs and providing mechanisms to adjust payments for overachievement or underachievement on targets. However, service quality, including the achievement of outcomes, must still be a prime consideration.</p>	<p>The consultant's recommendation is supported. Moreover, the level of discussion on this point in the consultants report is similar to the level of discussion across all recommendations.</p> <p>The utilisation of surpluses was raised consistently by CSOs during the consultations held by Riley and Riley, and the Department should not defer consideration of the recommendation.</p> <p>CSO should be able to carry forward surpluses across a three year funding agreement, and where they are meeting performance targets able to utilise surpluses for service delivery innovation.</p>
<p>24. The OCS implements the interim steps necessary to enable future benchmarking of costs. These steps will include:</p> <ul style="list-style-type: none"> developing a consistent set of 'service type' descriptions; defining levels of quantity and quality for services currently being funded; defining performance measures consistent with the Quality and Safety Standards Framework; and undertaking baseline costing surveys. 	<p>Accepted.</p> <p>The Department, through reform processes, is moving towards a unit cost approach to funding. The Human Services Group Reform Implementation Unit is seeking a consultant to develop a service pricing mechanism that will apply to disability service, family support services, out of home care and the service gateway.</p> <p>However, unit pricing will not suit all circumstances, and this is particularly evident where services are delivered across a variety of settings throughout the State where factors such as demand, travel time, and economies of scale will reduce the ability to deliver the same serve at an average cost.</p> <p>Benchmarking of costs referenced across service type, quantity and quality (including outcomes) will assist in understanding cost drivers so that an evidence based approach to funding models can be developed.</p>	<p>The Department needs to commit to a clear and inclusive process of benchmarking, as has been undertaken in other States and Territories.</p> <p>There also needs to be a commitment to an ongoing and regular process of reviewing benchmarks. The Department needs to work with CSOs to determine how benchmarks should be reviewed.</p>
25. The OCS to monitor the progress of, and identify any development from the Reform Implementation Unit service pricing study, planned for 2009.	<p>Accepted.</p> <p>This recommendation will assist in the development of a Departmental wide policy on costing services.</p>	There needs to be clear and open communication from the Department on the outcomes of the study.

Integrated Finance and Performance Recommendations		
Recommendation	DHHS view	Peaks Network view
<p>26. Delegations for funding agreements are altered to better reflect the nature of the agreements.</p> <p>The following threshold limits are recommended to apply to the approval of a business case and risk assessment to proceed to a funding agreement:</p> <ul style="list-style-type: none"> • an allocation of less than \$100,000 - approval by Operational Unit CEOs and Directors; • an allocation of \$100,000 and more, but less than \$250,000 - approval by Operational Unit CEOs and Directors after obtaining the agreement of the Director of the OCS, with reporting to the CRC; and • an allocation of \$250,000 and more - recommended by the Operational Unit CEOs and Directors to the CRC for CRC approval to proceed. <p>The following threshold limits are recommended to apply to the execution of a funding agreement (or any document that enters the Crown into a commitment) for a grant. If the annual funding under the funding agreement is:</p> <ul style="list-style-type: none"> • less than \$250,000 - the delegates for signing funding agreements for grant allocations are the Operational Unit CEOs and Directors; • \$100,000 and over up to \$250,000 – the delegate for signing funding agreements for grant allocations is the Director of the OCS; • \$250,000 and over up to \$5,000,000 - the delegate for signing funding agreements for grant allocations is the Secretary; and 	<p>Accepted on the condition that changes to Delegations are consistent with Treasury instructions.</p> <p>As noted in the report, the risks associated with commitment of expenditure under funding agreements with community sector organisations are different to those associated with general contracts and procurement.</p> <p>Funding arrangements with the community sector are typically partnership based with known organisations, of an ongoing or recurring nature, delivering specific services addressing community need, and subject to monitoring and financial accountability. These conditions are not generally addressed in procurement arrangements.</p> <p>In relation to grant funding decisions, it makes administrative sense to apply delegations to the lowest practical level so that funding agreements are structured to optimally meet the service needs of clients, and high quality partnerships are achieved.</p>	<p>Supported</p>

Integrated Finance and Performance Recommendations		
Recommendation	DHHS view	Peaks Network view
27. The roles and responsibilities for the OCS and Operational Units are defined and communicated through a Memorandum of Understanding.	Accepted	Supported. It is absolutely essential that the roles and responsibilities within the Department are clear and that they are communicated to community service organisations.
28. The Framework is implemented progressively for 2009-10 funding agreements, with the initial focus on funding agreements greater than \$250,000 in value.	<p>Accepted with agreement to amended to apply to funding agreement with a value of over \$500,000.</p> <p>The Office for the Community Sector foreshadowed in May 2008 that an integrated finance and performance framework would be implemented in the 2009-10 financial year. Although there is a lot of work to be done to transform this report into a workable framework complete with policy manuals, tools and proforma, the original intention remains possible.</p> <p>However, converting approximately 400 service agreements into the new framework will be very resource intensive and will need to be staged if it is to be achieved with current resources.</p> <p>Focusing on the highest value agreements first will mean a high percentage of the value of grant funding will be transferred into the new framework with the lowest percentage of Agreements involved.</p>	The phased approach is supported as is the DHHS view that the initial focus be agreements above \$500,000.
29. The OCS incorporate the Framework Implementation plan into the OCS Unit and work plans for the second half of 2008-09 and for 2009-10.	<p>Accepted.</p> <p>Accepted as core business for the Office.</p>	<p>Supported</p> <p>The consultant's recommendation that a working group with CSO representation oversee the implementation is also supported</p>

DHHS Quality and Safety Business Case Recommendations

This table focuses on issues relating to Option 2 which is the model recommended by the Department

Key Issues	Peaks Network view
Overall need for a quality and safety framework	<p>The Peaks Network strongly supports the need for a unified quality and safety framework that streamlines existing reporting requirements for community service organisations and improves service outcomes.</p> <p>The Peaks Network notes that the need for this work was identified by the Peaks in 2007, and since then a collaborative approach with the Department has been used to progress the work.</p> <p>The Peaks Network also notes that the starting point for this work has always been the need for a 'quality improvement' approach and not purely a quality assurance approach.</p> <p>The Peaks Network believes that the approach documented in the business case addressed some of the key recommendations from the April 2008 QMS report 'A Standard and Quality Management Model for the Community Sector in Tasmania', but also has significant gaps, particularly in relation to organisational resourcing.</p>
Transitional focus	<p>The Peaks Network welcomes the transitional approach that is being taken. The need for a transitional approach was one of the consistent themes from the consultation and from the Quality and Safety Reference Group.</p>
False assumptions about the benefits of the proposed framework	<p>A key concern of the Peaks Network is the benefits documented in sections 6.1.2 Option 2 – Work in partnership with Tasmania's Agency funded community sector to implement a quality and safety standards framework are potentially flawed, particularly as the business case appears to be focused on compliance and not improvement and there is inadequate resources allocated for a real improvement approach.</p> <p>The Peaks Network are concerned that there is little evidence provided to support the benefits that are documented, particularly in a situation in which resources are not committed to implementing the framework. The business case lacks comparative evidence on how other States and Territories have introduced quality and safety frameworks, and the resources that were allocated to support implementation.</p> <p>The Peaks Network believes that one of the worst outcomes would be the introduction of a framework which is implemented more in word than substance. The Department needs to engage more heavily with the sector to ensure that implementation does actually achieve the benefits that both parties agree are important. This requires the Department to work with organisations and Peak Bodies on the real resource implications of the framework, and to identify a strategy to meet these resource needs.</p>
Too focused on compliance and risk management	<p>As noted above the original focus of the quality work through the ASF was on 'quality improvement'. The Peaks Network are concerned that instead of taking a quality improvement approach the model being proposed is weighted too much towards compliance and risk management. The Peaks Network is concerned that this will not deliver the benefits that both organisations and the Department have identified as being important.</p> <p>The Peaks Network have no problem with the implementation of the Framework starting from a quality assurance point and then moving to improvement, but again the Department needs to work with organisations and Peak Bodies to identify the resourcing required to drive real change and improvement in service quality.</p>

<p>Inappropriate strategy to resource community service organisations to put in place quality improvement</p>	<p>The business case includes an inherent contradiction. In places it talks about the cost:</p> <ul style="list-style-type: none"> • <i>Some organisations will require additional and focused support to engage in the Standards Framework as a result of limited financial and/or other resources (Section 5: Assumptions and constraints)</i> • <i>There will be collective costs in terms of financial, human resources and project associated costs within an environment of wide-ranging reform and competing priorities (section 6.1.2).</i> • <i>Higher financial costs associated with Option 2 (6.2:Comparison of Options)</i> • <i>Organisations may experience some impact on resources (6.2: Comparison of Options)</i> <p>The business case, however, then goes on to identify the preferred strategy for meeting these costs within the existing OCS resources (table Phase 2: Development).</p> <p>The Peaks Network believes that as well as having appropriate resources in the OCS to work on quality and safety the preferred option should include the provision of direct assistance to community organisations to enable them to implement the framework. The Peaks Network also suggest that the Department look at bulk purchasing a quality and safety reporting system which all community service organisations would have the option of using.</p> <p>The true cost of implementing quality and safety also needs to be factored into the development of unit costs for services, and the Peaks would be concerned if the proposed OCS model to quality and safety was the basis for the unit cost.</p> <p>The Peaks Network also want to raise that the consistent message from earlier consultations on the need for resourcing seems to have been neglected in the business case.</p>
<p>Select Outcome Statements and Key Performance Indicators</p>	<p>The Peaks Network would like to reinforce the importance of this work being done in consultation with community service organisations, and again raise concerns about the importance of both resources and capacity development within DHHS and the community services industry to successfully undertake this work.</p>