

Sector Update: ACT Government Funding of Peak Activity Commissioning 2021-22

Introduction

ACT Health Directorate (ACTHD) and Community Services Directorate (CSD) value the important role of peak bodies as sector partners in supporting the delivery of health and support services in the community and are seeking to provide funding certainty for peak bodies as soon as possible in the current commissioning cycle, preferably through Deeds of Grant for 5-year periods. In the context of commissioning for outcomes, ACTHD and CSD commenced engagement with peak bodies in October 2021. This paper summarises the commissioning activity to date and proposes next steps.

Commissioning Strategy

Through a consultation paper released in October 2021 and a forum held in November 2021, sector organisations, CSD and ACTHD explored the range of issues affecting peak organisations that may be addressed through commissioning. That process identified some issues require longer timeframes, and engagement with Ministers, while others could be more quickly addressed.

Given the goal of providing early certainty of funding for peak bodies, the scope of the first phase of commissioning was defined to include only those matters that could be addressed in the short term while others have been identified for inclusion in future commissioning stages.

In late December 2021, a follow-up engagement with peak bodies occurred through an email update and bilateral conversations rather than a further large group event. This flexible approach enabled peak bodies to contribute to the strategy in a manner that suited them across December 2021 and January 2022.

In accordance with the agreed timeline ([Attachment A](#)), a needs assessment for Peak Funding for this cycle focussed on developing a shared value proposition statement that articulates the intent of ACT Government funding of peak activity. It is proposed that this forms a component of the description of funded activity included in Deeds of Grant (see [Attachment B](#)).

A definition of peak body was also collaboratively designed through consultation with the sector and is also included in the proposed description of funded activity.

Commissioning Design

Development of consistent core elements for peak bodies and agreed wording for Deeds of Grant occurred in parallel with strategy development. Consistent with the intention to develop a common approach to peak activity, a set of four outcomes are proposed for all peak bodies (see [Attachment B](#)). These outcomes form the structure for proposed annual reporting by peak bodies.

Further work will occur to determine whether common metrics are preferable at this stage or whether these may evolve during the first year of the new arrangements. There are benefits to enabling peak bodies to consider how they would approach reporting against these outcomes and then sharing these approaches to develop common practice over time.

Development of Commissioning Intentions to signal the focus of future commissioning cycles is also identified as a task for the design phase. A 3-phase commissioning approach over 5 years is proposed, where the Commissioning Intentions will be a living document that articulates actions for the following phases:

Phase 1 (now – June 2022) **Build Consistency**

This phase continues the commissioning discussion with existing peak bodies to refine the definition of peak bodies and peak activities, identifying outcomes of peak activity, and shifting all peak bodies to Deeds of Grant with common language, a common outcome reporting approach, and 2 plus 3-year terms. There will not be changes to the amount of funding that each peak body receives.

Phase 2 (June 2022 – June 2024) **Build innovation and collaboration among existing peak bodies**

A key issue raised by the sector is the historical basis of peak funding levels and its lack of relationship to current and future needs of the Represented Groups and the community. Phase 2 proposes to test new ways of working and collaboration by peak bodies and whether it is possible to address the historical inequities in funding levels between existing peak bodies. It signals to the sector that government is enabling change across and between existing 'silos' through commissioning.

It also recognises that addressing intersectionality is going to be a core element of commissioning each subsector and that peak bodies will have a key role to play in these processes. Through collaborative design, peak bodies would share in the decision making to determine the right balance of activity across the existing funded peak organisations. This may involve peak bodies working differently with each other, sharing resources in new ways, expanding the discussions to include other organisations as appropriate, and undertaking joint cross sector (integrated) activity. It may involve changes to the scope of existing peak organisations through shifts in resources (including changes/increases in government funding). It may also require some internal reallocation to funding streams across CSD and ACTHD.

This phase provides an opportunity to explore creative solutions to current imbalances in funding which may lead the peak body sector to work more closely / differently in the future. It will be informed by engagement with Represented Groups and other stakeholders as well as through collaborative design with peak bodies.

Phase 3 (June 2024 – June 2027) **Test need to expand the range of funded peak bodies and increase investment in peak activity**

The third phase allows research to be undertaken to determine the right mix of peak bodies for the ACT and use this to inform budget bids to increase investment in peak activity. This may lead to the creation of additional peak bodies and/or expand the scope of existing peak bodies with increased investment.

Following Phase 3 long term (7-10 year) Deeds of Grant for peak activity would be developed.

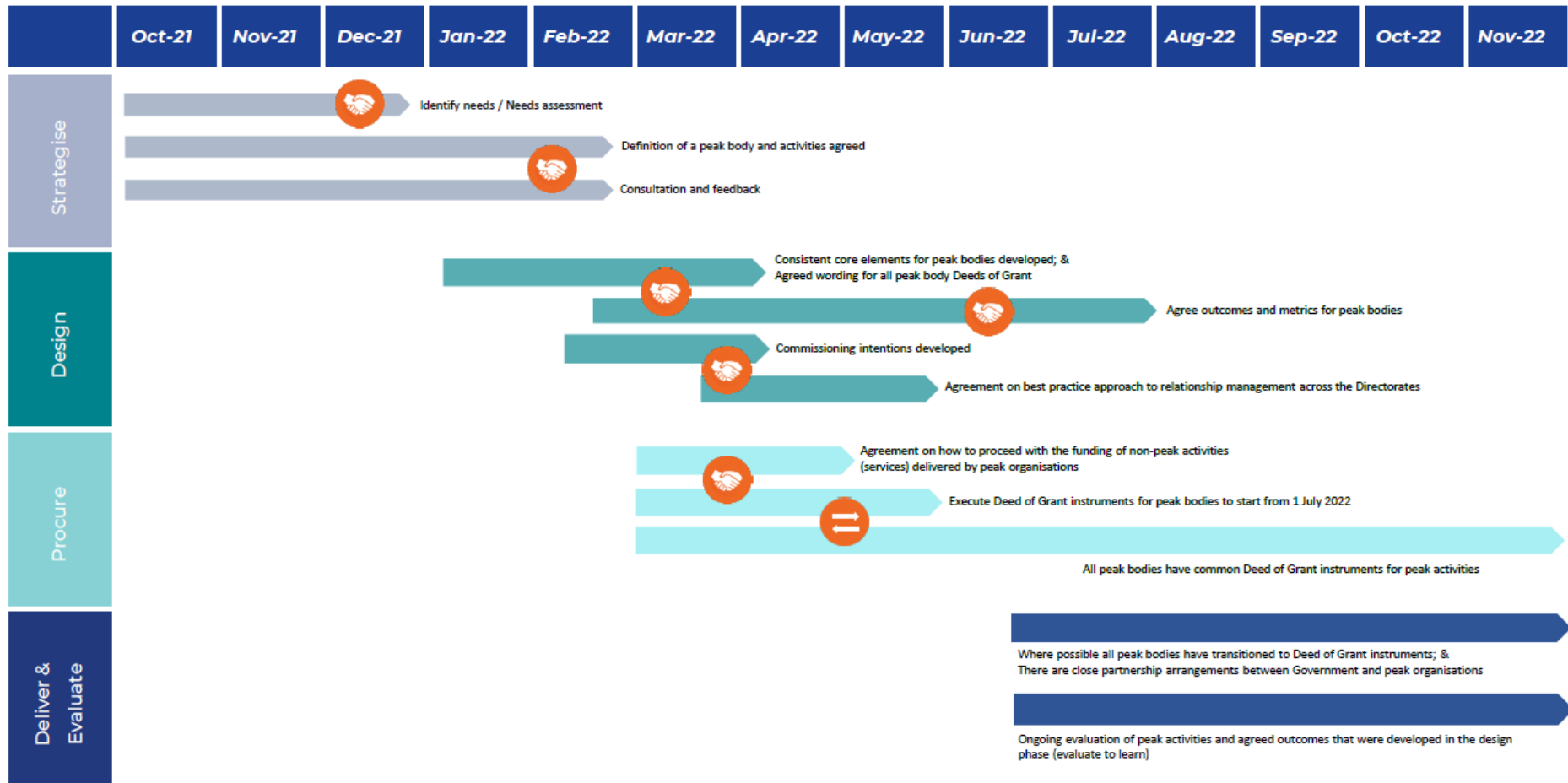
Next steps

Sector partners are invited to provide feedback on this proposed approach and the proposed content of Deeds of Grant ([Attachment B](#)). **Feedback is requested by 28 February 2022** to enable the following timeline to proceed:

Indicative 2022 Timeline

Timeframe	Activities	Outcome
March 2022	Meetings between business units and funded peak organisations	<p>Discuss and agree proposed content of Deed. Discuss preferred approach to partnership and relationship management.</p> <p>Agree how to approach funding of any non-peak activity undertaken by peak organisations. As signalled in the October 2021 discussion paper, it is intended that non-peak activity continue to be managed separately from peak Deeds of Grant.</p>
April 2022	Sign new Deeds of Grant	Containing common terms and outcomes.
May 2022	Develop Commissioning Intentions	Describe phased approach.
Late 2022	Meeting of peaks and business units	<p>Discuss approaches to reporting against agreed outcomes.</p> <p>Discuss partnership approach to relationship management.</p>

Commissioning of Peak Functions Timeline



Key:



Engagement with sector partners



One to one meetings with sector partners

Attachment B

Deeds of Grant for Peaks – core content

Draft Details for Schedule 1

Grant Period From 1 July 2022 until 30 June 2027. With a formal review point in mid-2024.

Grant As per existing funding for peak activity
Grant is payable by annual instalments
Grant will be indexed

Reporting

1. By 30 July each year, the recipient will provide to the Territory a Financial Declaration (using template)
2. By 30 July each year, the recipient will provide to the Territory a report against the Outcomes.

Draft Schedule 2

The Funded Activity:

The Territory provides this Deed of Grant to support the core activities of a Peak organisation.

Peak organisation is defined as: *A peak body is a representative non-government organisation, the primary purpose of which is to provide membership engagement and support, coordination, advocacy and representation, information dissemination services, relevant research, policy and sector development services for the Represented Group and other interested parties.*

Represented Group is defined as: *The community cohort and / or industry stakeholders that are members, or are eligible to be members, of the peak body.*

The Territory and Recipient recognises that:

- Peak bodies assist government to ensure that its policies and priorities reflect community interest and community need.
- Peak bodies do this through being a bridge between civil society and government, translating the lived experience of individuals and insights from non-government organisations into an understanding of what that experience means for system reform, system issues and policy development.
- Peak bodies represent industry stakeholders and/or community cohorts through engaging actively with members and distilling their perspectives into the language and processes of government.
- Engagement through peak bodies streamlines the process of government obtaining feedback from the community.

Outcomes:

Through its peak activities the Recipient will progress the following outcomes:

1. The peak body's activity reflects a sound understanding of the issues that impact on the Represented Group.
2. The Represented Group is supported, informed, and engaged.
3. The voices of the Represented Group are heard and/or reflected in the Recipient's policy advice and systemic advocacy.
4. The peak body has influence on issues, policies and programs affecting the interests of the Represented Group, including through research and engagement.

Commissioning and Partnership:

In keeping with *ACT Approach to Commissioning* (2021), the Territory aims to shift the nature of the relationship between the community sector and government towards a stronger focus on outcomes, greater opportunity for innovation, and a partnership approach to delivering services and contracting.

Commissioning is a cyclical process, signalled through commissioning intentions, which continues to inform and shape policy, funding and service planning. Ongoing monitoring and evaluation are a feature of commissioning and will occur across the full commissioning cycle with built in review periods.

Commissioning relies on collaborative, trusting and sustainable partnerships. Contract and relationship managers will meet regularly with grant recipients to monitor the partnership to ensure it is meeting the needs of service users, commissioner and sector partners. Either party, at any time, is encouraged to raise any issues, discuss activities, deliverables or outcomes. The Territory will adopt a flexible and adaptive approach to contracts and grants management.

The Territory acknowledges that the recipient may receive other funding that may contribute to the total outcomes of the organisation and that its reporting to the Territory covers the contribution of Territory funding.