

NCOSS précis of *Partnerships for Health*, NSW Health's response to the Grants Management Improvement Program Taskforce Report

Introduction

This NCOSS brief summarises NSW Health's response to the Grants Management Improvement Taskforce report. NSW Health initiated a review of NGO funding and administration in mid-2012. The Taskforce made 43 recommendations for a new approach to partnering with NGOs. The [Taskforce Recommendations Report](#) and [NSW Health's response](#) is available on the [NSW Health website](#).

Planning and prioritising

- Service funding decisions will be informed by a strategic planning framework based on NSW government and health system priorities.
- NGO Advisory Committee will be reconfigured to provide advice on health priorities, health plans and appropriate delivery mechanisms.
- Service funding categories (by type, not program area):
 - Direct service delivery;
 - Policy development;
 - Health promotion/education;
 - Professional capacity building;
 - Sector capacity building.

Managing, contracting and reporting

- Standard contractual procedures will be developed incorporating: head contracts for multiple funding agreements with one organisation; 3 year term contracts; single-source reporting; specified evaluation arrangements; and timely payment specifications.
- Procurement processes will be based on the contract funding value, as with current private sector contracts.
- NSW Health will scope an on-line contract management system
- Reduced role of central NGO Unit over time as relevant Program Areas, LHDs or Pillars take over contract management.

Flexible funding models

- Existing recurrent grants system will be replaced by contestable, contract-based funding. Direct funding may continue for some service types.
- Flexible approach to procurement methods – no 'one-size fits all' model.
- Types of funding models:
 - purchase of service through competitive tender or preferred provider panels;
 - merit-based funding to support service delivery or capacity building;
 - investing in service model pilots;
 - one-off specific purpose grants; and
 - sponsorship.

- Choice of funding model will be guided by policy and legislative requirements; risk; service system capacity; service quality; timely funding and service provision; client/community preferences; and cost/value for money.
- Funding opportunities will be available to both non-government community organisations and for-profit private providers

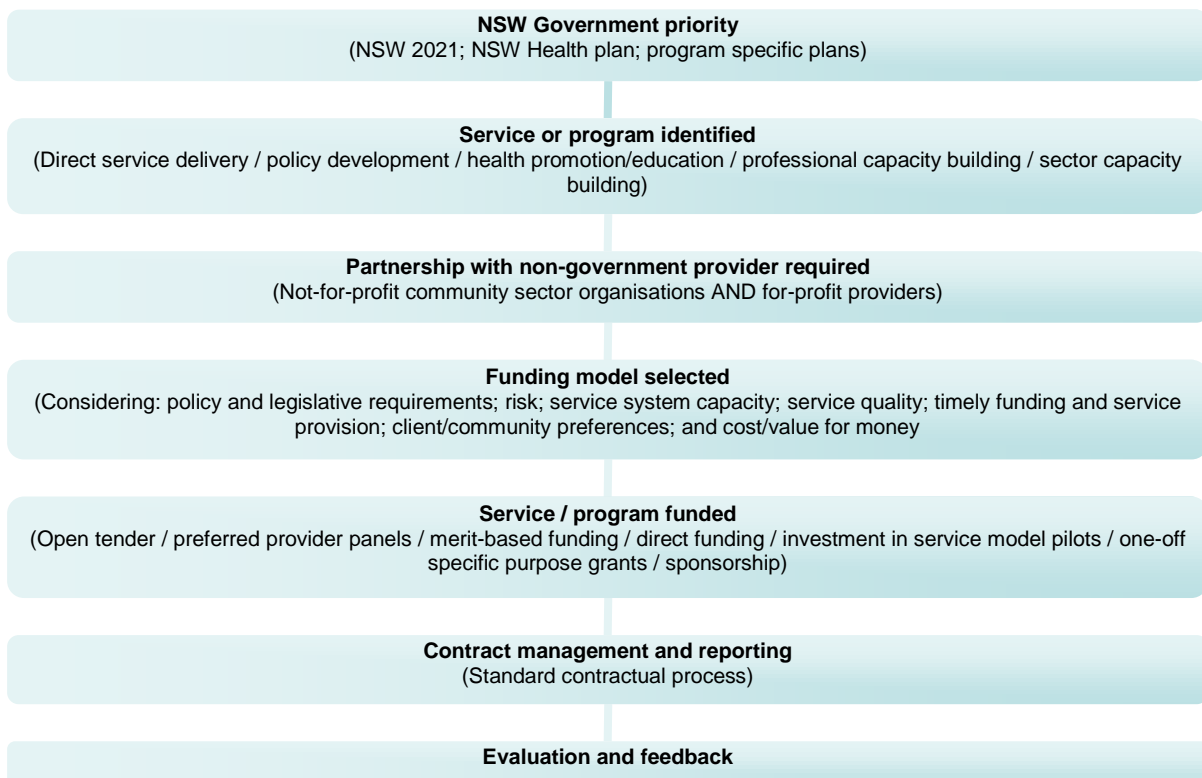
Across-government approaches

NSW Health will facilitate consideration of cross-agency recommendations where possible.

Implementation

- Most existing NGO funding arrangements extended to 30 June 2014 – check with your NGO Coordinator.
- Staged transition process (to be completed by early 2014):
 1. Identify funding priorities
 2. Develop appropriate procurement models
 3. Progressively release new funding opportunities to external providers
- High-level Implementation Group will oversee the transition. It will consult the NGOAC.
- Information sessions will be held for the NGO sector and updates posted on the NSW Health website.

NSW Health Partnerships approach¹



¹ Adapted from Figure Two: Implementation of NSW Health Partnerships, NSW Health (2013) *Partnerships for Health: A response to the Grants Management Improvement Program Taskforce Report*