



Partnership in Practice

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# PARTNERSHIP AGREEMENT

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Department of Human Services / Health, Housing and Community Sector

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## PREAMBLE

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This Partnership Agreement represents a significant milestone in the ongoing relationship between the Department of Human Services and health, housing and community service organisations in Victoria. Representatives of the Department of Human Services and peak bodies for the health, housing and community services sectors have developed the Agreement jointly.

The Partnership Agreement has been developed in recognition of the mutual reliance between the Department and the independent service delivery organisations it funds. It recognises the importance of the strength of that relationship in ensuring effective public policy and best service outcomes for all Victorians. It acknowledges the respective strengths of both partners.

The Agreement is intended to provide an overarching statement, which encompasses planning processes, program agreements, service and funding agreements and review processes. It is consistent with the broad parameters of the government policy framework – 'Growing Victoria Together'. As a living document, it will be reviewed and, if necessary, amended from time to time. It is not intended to be a legally binding document.

All parties to this Agreement are committed to ensuring that this represents a new stage in the relationship between government and the health, housing and community sectors. It is an expression of our joint commitment to best possible human service outcomes for the people of Victoria.

**Signed**  **Name** Patricia Faulkner  
**Date** 23 October 2002 **Title** Secretary, Department of Human Services

**Signed**  **Name** Cath Smith  
**Title** CEO, Victorian Council of Social Services  
on behalf of the Health, Housing and Community  
Services organisations that have endorsed this  
Agreement  
**Date** 23 October 2002

**Signed**  **Name** Iain Fraser  
**Title** EO, Victorian Healthcare Association  
on behalf of the Health, Housing and Community  
Services organisations that have endorsed this  
Agreement  
**Date** 23 October 2002

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# **PARTNERSHIP AGREEMENT**

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## **Department of Human Services/Health, Housing and Community Sector**

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## Purpose

The purpose of this Partnership Agreement is to affirm agreed expectations of a working relationship between the Victorian Department of Human Services and the independent health, housing and community service organisations that it funds. It recognises that the Department and service organisations have legitimate differences in governance, roles and responsibilities. However the Department and the health, housing and community services sector share an overriding common objective, which is to achieve best possible outcomes from the provision of services to the people of Victoria. A key purpose of this document, therefore, is to present an agreement of the vision, values and goals which the Department and funded organisations hold in common, and to support a shared approach to developing more effective working arrangements between the Department and the sector it funds.

## Vision

A vision for the future of human service delivery in Victoria assumes the sustainable existence of a robust and resilient health, housing and community sector working in a dynamic partnership with responsive and effective government agencies.

The following assumptions underpin the vision:

- It is assumed that health, housing and community organisations will continue to represent their communities of interest and advocate for their interests and needs.
- It is assumed that government will administer public funds and address program development in accordance with the policies of the elected parliament of the day and in accordance with existing statutes and regulations.
- It is assumed that in a complex and ever more rapidly changing society where existing and emerging needs far outstrip available funds and resources, there need to be mutually agreed processes for planning, developing and delivering health, housing and community services which are based on the principles of sustainability\*. An approach based on sustainability which assumes a commitment to long term planning and outcomes, together with a wide view of environmental impact, has the potential to deliver the most effective use of resources.
- It is assumed that the interests of Victorians are best served by a participative working relationship between the Department and the health, housing and community services sector, on these processes.

\*Sustainability is the good management of social, economic and environmental resources to ensure that the benefits for future generations are no less than we enjoy today.

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## DEFINING THE CONTEXT

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A partnership approach will incorporate agreed values, a mutual respect for the roles and responsibilities of government and the health, housing and community sector, and a commitment to participate and adhere to agreed processes for policy development, planning, resource allocation, service monitoring and review, and accountability. It recognises the importance of taking the long term view as well as responding to immediate and urgent need. It recognises that social and environmental outcomes are as important as financial outcomes.

The ultimate vision is for service provision that supports a democratic, fair, accountable body of services, which accommodate and value diversity, which address the particular needs of vulnerable and marginalised people, which recognise regional and rural differences and which contribute demonstrable high quality outcomes in accordance with agreed standards. Service provision will contribute to maintaining an inclusive Victoria where all people are enabled to participate in their community and lead purposeful lives.

### **Shared Values and Principles**

This Agreement, consistent with whole-of-government directions for Victoria, and at the forefront of worldwide trends in sustainable service planning and administration, is informed by the vision for the future of human services in Victoria as described above.

We are committed to the delivery of high quality health, housing and community services needed by the people of Victoria.

In the delivery of quality services we are committed to act ethically and in accordance with a shared set of values that translate into behaviour. These values will underpin expectations of mutual respect in all exchanges between the Department and the health, housing and community services sector. The health, housing and community services sector is committed to establishing shared values. These should be explicitly stated and, in future, form part of the commitment to shared values in this Agreement.

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## **Partnerships**

We acknowledge that successful organisations operate in a web of relationships that extend their 'reach'. Funding bodies and funded bodies are important partners and must share a commitment to values and outcomes. Partnership implies equal status on the matters over which the partnership exists. For the purposes of this Agreement, the health, housing and community services sector acknowledges the responsibilities of government in relation to administering legislation and the policy of the government of the day, the Department acknowledges the particular expertise of the health, housing and community services sector as advocates of community need, as service providers, and through their knowledge of systems and needs.

While it is acknowledged that the Department and funded agencies have an important partnership relationship in provision of statutory services, the Department cannot delegate its duty of care, and has responsibility for risk management and public accountability for statutory clients.

## **Environments**

We recognise that we operate in a complex environment in which the needs of Victorian communities and individuals are constantly changing, and in which best practice is evolving through findings of research, innovation and ongoing development of organisational policy and practice and changing technology. In such an environment, policy, planning and program development will be based on collaboration between the Department and the health, housing and community services sector. This will occur at all levels, that is, statewide across all programs, at program level, regional level and sub-regional level.

We recognise that the changing needs of Victorians for health, housing and community services will be affected by major shifts in demography, by changes in social and cultural life, by worldwide developments in technology, standards and ideologies, by a range of cost factors affecting the delivery of services and by the expectations of Victorians. Sustainable practices will recognise the interplay of these factors and will accept the importance of expeditious and planned changes to programs and services.

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## **Governance**

The independence of the majority of health, housing and community service organisations as legal entities is recognised. However, the constraints that apply in the case of publicly owned health service agencies is acknowledged. Funded organisations are agencies of government only to the degree that they deliver services in accordance with funding and service agreements. Therefore, in order for health, housing and community service organisations to deliver best standards of services and meet their obligations to the Victorian community for duty of care, the highest possible standards of governance must apply. Governance must be consistent, sustained, ethical, skilled and accountable.

The very significant investment made by the community on boards, committees of management and other governance structures is acknowledged. The Department will support the continuing development of good governance.

We are committed to continuous improvement in all aspects of governance and management, recognising that we act in trust for present and future generations of Victorians in the delivery of human services.

## **Transparency**

Organisations can best be sustainable if they measure, monitor and account for their use of resources and know their impact across social, environmental and financial arenas. This calls for high quality governance committed to requiring high standards of management; trained and well supported managers who are committed to high standards of service delivery and accountability; provision of infrastructure which will deliver information and sustain administration in accordance with current community standards (this includes IT hardware, software and support) and administrative processes which support efficient and open communication and which minimise risk. These elements are recognised as underpinning direct and open transparency by both the Department and funded organisations.

We will be accountable for the use of all resources.

We will participate in agreed regular measures of our shared work to improve the administration of human services in Victoria.

We support evidence-based practice, and will participate in research, innovation and ongoing development of organisational policy .

We are committed to two way consultation and communication in the planning development and delivery of health, housing and community services in Victoria.

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## **Life Cycle**

We are committed to planning and administrative processes which recognise the long term impact of human services, and which seek to maximise the potential of all Victorians, and minimise or mitigate known risks.

We acknowledge the importance of balancing short term accountability and long term investment in social capital. Specifically, we acknowledge that the Department must work within the annual budget cycles of government, but that legitimate service needs do not always fit within government cycles and may extend over years or indeed a lifetime.

We recognise that service models have a life cycle and need to be reviewed, updated or replaced in light of better alternatives.

We acknowledge that when current needs are met or decline, resources should be redirected to new needs through accountable planning and decision-making processes.

We acknowledge the benefits of diversity.

## **Time**

The relationship between the Department and the health, housing and community sector is affected by the timeliness of a range of transactions. The respective needs for accountability for the use of public funds, and certainty of the availability of funds must be acknowledged. We agree that achieving a closer match between the two is key to achieving better working relationships between the Department and the health, housing and community sector.

Beyond transactional matters it is recognised that successful organisations commit significant effort in planning many years ahead in order to meet major goals.

The partners to this Agreement commit to working together to achieve a long term sustainability strategy for health, housing and community services for Victoria. We see this as a vehicle to drive the delivery of the most appropriate quality human services in Victoria.

We agree that a vitally important goal for the relationship is to achieve a close match between the respective needs of the parties for public accountability and funding certainty over a longer timeframe than one year.

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## DEFINING THE RELATIONSHIP

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### The Department of Human Services

The mission of the Department of Human Services is to enhance and protect the health and wellbeing of all Victorians, emphasising vulnerable groups and those most in need.

In relation to a range of health and welfare services, the Department allocates funds for the provision of services by non-government organisations, government related agencies and local government. In disability services, specialist children's services, child protection, juvenile justice and public rental housing, the Department is a direct service provider.

The Department is responsible for the effective administration of a range of legislation and regulation, and for the implementation of the policies of the government of the day. Together with key stakeholders, the Department undertakes policy and program development, and strategic planning. The Department is accountable to central agencies, the Departments of Treasury and Finance, and Premier and Cabinet, and government for its activities. The Department therefore has a mandate to ensure that service delivery funds are expended appropriately and this requires it to monitor the performance of organisations in receipt of public funding.

The Department aspires to five key organisational values, which inform how the Department goes about its business and affirm the importance of a mutually respectful professional approach:

- **Client Focus:** working towards improving the health and wellbeing of clients and community
- **Professional Integrity:** treating all people with dignity and respect
- **Quality:** always striving to do its best and improve the things it does
- **Collaborative Relationships:** working together to achieve better results

- **Responsibility:** commitment to actions taken to achieve the best possible outcomes for clients and community.

Achievement of the Department's responsibilities is dependent on the delivery of services by the health, housing and community services sector.

Accordingly, the Department of Human Services will:

- Acknowledge its commitment to strong and effective health, housing and community sector.
- Value the autonomy and contributions made by the health, housing and community sector and promote this in a positive way across government and in the wider community.
- Recognise and value the role that peak bodies play in advocating for their constituencies and in providing their members with services to improve the quality of service delivery.
- Endorse the importance of sustainability and long term planning to the capacity of the health, housing and community sector to deliver quality services.
- Work actively with and involve the health, housing and community sector in planning, policy development, program development, research, innovation and evaluation to ensure that these processes work for the community and to use the expertise and knowledge of the health, housing and community sector. Ensure that collaborative forums exist at all levels between the Department and the health, housing and community sector.
- Make decision-making processes transparent, and make decisions public, in accordance with its commitment to accountability and open government.
- Strive for high standards of management and decision-making including evidence-based policy and evaluation and monitoring of outcomes.

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- Adopt a consistent system of administration of funding and service agreements, their monitoring and evaluation, and the use of a central IT system.
  - Work towards universal IT communication by ensuring that all the Department's funded organisations have basic computer equipment and software, and access to a helpdesk, with the expectation that all can be communicated with electronically.
  - Work to achieve distribution of funds early in the funding cycle so that funded bodies are able to conform to annual plans, budgets and accountancy standards. Where there is lack of clarity regarding the nature of payments made, ensure that all financial transactions are clearly tagged with the payment purpose and service/program source.
  - Replace annual funding and service agreements with a three-year agreement for organisations in receipt of recurrent funding.
  - Continue to make quality improvement a major focus of its own management services and programs, including timeliness of financial payments, and support continuous improvement in health, housing and community services organisations' governance and management.

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## **Health, Housing and Community Service Sector**

The health, housing and community sector exists to meet a diverse range of needs in the most responsive way. While some organisations are publicly owned and managed, the majority of health, housing and community services organisations are independent bodies which are accountable in accordance with their constitutions to their constituencies, to the wider community, to donors and funding bodies and to their peers/sector. Organisations work within the requirements of legislation, regulation, program parameters and professional standards. They also contribute substantial funds through non-government sources for the provision of services to the people of Victoria.

There are over 2,700 organisations in Victoria, which receive funds from the Department of Human Services. They form an extremely diverse group, ranging from the very large with budgets of several hundred million dollars, employing hundreds of staff and having many different interfaces with the Department, to very small organisations which may employ only one staff member and are largely run by volunteers.

Accordingly the health, housing and community services sector will:

- Participate jointly in a high level forum to be chaired by the Secretary of the Department to oversee matters undertaken through partnership.
  - Strive for excellence and quality outcomes in service delivery, and in governance and management of organisations.
  - Actively involve consumers and carers in the planning, delivery (including quality improvement) and review of services.
  - Promote improvements in services through innovation, research, evaluation and commitment to effective service outcomes.
- Recognise the importance of working with the Department to achieve positive outcomes in the community. As such they will seek to understand and respect the roles and responsibilities of government, and communicate openly and constructively with the Department.
  - Commit to working constructively and collaboratively with the Department in policy development and program planning, review, research, innovation and evaluation.

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## Relationship Commitments

Parties to this Agreement will:

- Commit to ensure that constructive and principled engagement is reflected in all behaviour, with each other and with service recipients and the wider community.
- Work together to achieve improved accountability tools, in the first instance exploring the applicability of triple bottom line reporting. This involves being accountable for financial, environmental and social impacts in accordance with an agreed framework and measures.
- Work together to achieve a consistent service agreement system based on agreed simplified arrangements for reporting and turnaround of funding and service agreements.
- Achieve three-year funding for funded programs.
- Work together to develop a sustainable strategy for health, housing and community services for Victoria.
- Participate in research, innovation and ongoing development of organisational policy and practice that supports evidence-based practice in health, housing and community services.
- Participate collaboratively in forums. These would range from a high level partnership forum convened twice a year by the Secretary of the Department, to forums at program and regional levels which would address service planning and coordination issues.

- Participate in the development, administration, interpretation and follow up of an annual agency satisfaction survey.
- Establish a partnership secretariat and other appropriate processes, to service the Partnership Agreement activities.
- Participate from time to time in reviews of the Partnership Agreement and updates of its work program.

## Monitoring and Supporting the Agreement

The Partnership Forum will oversee the Partnership Agreement. This Forum will also provide opportunities for the parties to raise issues regarding the implementation of the partnership.

In addition, review of the progress of the Agreement will occur as part of the Department's report to Parliament and will be incorporated into key performance indicators for senior Departmental staff. The results of the annual agency satisfaction survey will be made available to funded agencies.

The term of the Agreement is three years.

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## **ACKNOWLEDGEMENTS**

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The development of this Agreement was coordinated by the Funded Agency Partnership Project (FAPP) Working Group:

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### **Contact**

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