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| **Service Agreement 2024 – 2028** **Departments of Families, Fairness and Housing**  **Department of Health**  **Adult and Community Further Education Board** |
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Key changes

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| Topic | Overview | Notes |
| Commitment to a strong and sustainable sector​ | * Recitals have been updated to include clearer commitment to improving outcomes for the Victorian community. This includes a commitment to quality services, value for money, transparency, and accountability. ​ |  |
| Aboriginal self-determination | * Recitals have been updated to include acknowledgement of community expectations and needs with respect to Aboriginal self-determination. |  |
| Social Services Regulator | * Organisations are required to suspend or cease service provision if the Social Services Regulator suspends or cancels an organisation’s registration. * Organisations consent for the department to share information with the SSR about the organisation. | The Social Services Regulator will commence on 1 July 2024. |
| Funding | * The Service Agreement Requirements will be revised to reflect Victorian government commitments to a floating indexation rate for community services. |  |
| Longer notice periods ​from department | * More time for organisations to implement changes initiated by the department to standards, policies, or activity descriptions. This has increased from 20 to 40 days. |  |
| * Longer notice period for department to advise of cessation of services. It has increased from 3 to 4 months. This applies when the department does not receive sufficient funds from the Victorian Government or there is a change in Victorian Government policy. |  |
| Fraud and corruption​ | * Requirement for background checks for new members of an organisation’s governance structure. * Requirement to notify the department and law enforcement if an organisation becomes aware of fraud and/or corruption. * Overview of the department’s and IBAC’s authority to investigate and share information about fraud and/or corruption. * Grounds for termination of the service agreement have been expanded to include systemic or significant fraud. | Organisations are not required to undertake additional or new background checks at this time.  The department will develop a policy for the requirements for these background checks during the term of the Service Agreement, in consultation with funded organisations. |
| Asset​ disposal | * Department consent required to dispose of funded assets has increased from $5,000 to $10,000. |  |
| Audit and Performance Review | * Grounds for a performance review or audit have been expanded. * These now include where there are reasonable concerns about the organisation’s ability to comply with the service agreement including as a result of a reasonable concern about the Organisation's governance. |  |
| Aboriginal self-determination​ and Indigenous Cultural Intellectual Property | * New definition of “Indigenous Cultural Intellectual Property” (ICIP). * A statement clarifying that the department will not own ICIP. | The department will closely monitor whole of government policy on Intellectual Property and ICIP and develop new policies or amend existing policies to align with any changes to whole of government policy during the term of the Service Agreement. |
| Organisation primary contact | * New option allowing organisations to provide 2 primary contacts. | Schedule 1 |

## Additional information and FAQ’s

### **Could you provide further information on funding indexation?**

The Victorian government applies a floating rate for community services. The formula reflects Fair Work Commission minimum wage obligations and the Consumer Price Index.

The formula used to set the floating indexation rate and other information on funding indexation will be provided in an update to the Service Agreement Requirements which will be available on the Funded Agency Channel prior to 1 July 2024.

### **Could you provide further information on the requirements for Background checks?**

### **The Service Agreement includes new requirements that new members of the governing body of an organisation and any other persons involved in governance of the organisation undertake background checks.**

The department will develop a policy on the requirements for background checks during the term of the Service Agreement, in consultation with funded organisations and peak bodies.

Organisations are not required to undertake additional checks until the department has provided the policy and guidance which will include information on the types of checks required, timing of the checks and support for organisations to implement the requirement to undertake these checks.

Existing probity checks as part of employment or other processes already undertaken by agencies in this space can continue.

### **Will we have to re-sign a new Service Agreement to receive funding?**

**No. The new service agreement is a standard variation and does not need to be signed. By accepting payment of government funding, you consent to the updated agreement.**

### **What is a Service Agreement?**

A service agreement is a contract that defines the terms and conditions of funding the Victorian Government agrees to give to an organisation. It also sets out how much funding they receive.

The same core terms and conditions are used by the DFFH, DH, DE, and the **Adult, Community and Further Education Board (ACFE)**. There are minor adjustments and additions between different department’s agreements to reflect the different services being funded.

The DE service agreement is mainly used for funding kindergarten service providers and has specific clauses relating to these providers. It is also used to fund a small number of other programs.

### Where can I access the updated Service Agreement?

**You can view the updated sample agreement at the following link:** <https://fac.dffh.vic.gov.au/service-agreement>**.**

**You will receive the Service Agreement for your organisation prior to 1 July 2024.**

### **What is the Service Agreement Requirements (SAR) document?**

A SAR document supports a service agreement by outlining more detailed responsibilities and obligations.

Small updates will be made to the DE SAR in July 2024. More comprehensive updates will be provided during the term of the Service Agreement 2024-28.

A copy of the current SAR can be found at the following link: <https://fac.dffh.vic.gov.au/service-agreement-requirements>. When the document is updated, it will be uploaded to the same URL.

### **What happens now?**

**If you are funded beyond 30 June 2024, you will be required to comply with the terms and conditions of the updated agreement.**

**You will receive an email from the Funded Agency Channel notifying you of the new terms and conditions.**

**Current agreements will then be updated in SAMS to reflect the new end date of 30 June 2028.**

### **Where can I get more information on the Service Agreement?**

**For general information about service agreements, please visit the** [**Funded Agency Channel website**](https://fac.dffh.vic.gov.au/service-agreement)**.**