

Department of Health and Human Services - Office for the Community Sector

Draft Business Case and Risk Assessment Template

Section 1: Approval to Proceed to Funding Agreement

Objective

The objectives of this section of the Business Case is to document the approval:

- of the Business Case and Risk Assessment, and recommend proceeding to initiating a Funding Agreement; and
- to enter into ('execute') the Funding Agreement, subject to satisfactorily reaching agreement with Community Sector Organisation (CSO) on the basis of the terms and conditions set out in the Business Case and Risk Assessment; and
- to make payments in line with the terms set out in this Business Case, or to delegate the approval to make a payment to the Manager, Finance and Performance, Office of the Community Sector, subject to the satisfactory performance and compliance by the CSO with the Funding Agreement.

Policy Guidance

The policy for approval of the Business Case and Risk Assessment and recommend proceeding to initiating a Funding Agreement is based on the proposed value of annual funding.

For annual funding of:

- less than \$100,000 - approval is required by the Operational Unit CEO or Director;
- \$100,000 and more, but less than \$250,000 - approval is required by the Operational Unit CEO and Director after obtaining the agreement of the Director of the OCS, with reporting to the CRC; and
- \$250,000 and more – recommended by the Operational Unit CEO and Director, quality assured by OCS and recommended to the CRC for CRC approval to proceed.

These thresholds will be incorporated within Department of Health and Human Services Delegations to be applied for all Funding Agreements established from 1 July 2009.

Application of Policy Before 1 July 2009

For all Funding Agreements established before 1 July 2009, the approval process will still require application of existing Department of Health and Human Services Delegations, including where applicable approval by the Contract Review Committee (CRC). However, all Operational Unit CEOs and Directors are encouraged to use the thresholds as a basis of documenting their recommendations to CRC.

Section 1: Approval to Proceed to Funding Agreement

Business case and Risk Assessment Summary	Name of Program of Funding:					
	Name of Community Sector Organisation to be Funded (where applicable):					
	Period of Proposed Funding (years):					
	Proposed Value of Annual Funding:					
	Nature of Funding Proposal by this Business Case (circle):	Program of Funding	Individual CSO Funding	New Funding	Recurrent Funding	Variation to Existing Funding
	Risk Assessment Rating (circle):	High		Moderate		Low

Record Preparation and Approval in Accordance with Policy

Business Case and Risk Assessment prepared by:	<i>Signature</i>	Confirmation of funds available and approval to proceed to Funding Agreement by Operational Unit CEO or Director:	<i>Signature</i>
	<i>Name</i>		<i>Name</i>
	<i>Position</i>		<i>Position</i>
	<i>Date</i>		<i>Date</i>
If applicable, recommendation to CRC to approve proceed to Funding Agreement by Operational Unit CEO or Director	<i>Signature</i>	If applicable, Office for the Community Sector agreement to proceed to Funding Agreement	<i>Signature</i>
	<i>Name</i>		<i>Name</i>
	<i>Position</i>		<i>Director, Office for the Community Sector</i>
	<i>Date</i>		<i>Date</i>

Section 2: Determine Method

Objective

The objectives of this section of the Business Case are to document decisions about the method to be:

- applied in forming an agreement; and
- used in approaching the community sector.

Policy Guidance

There are two methods which may be applied in forming an agreement with the community sector. These two methods are:

- procurement by contract, or
- grant by funding agreement.

There are a number of acceptable methods that may be used when approaching the community sector seeking the delivery of services. These methods include:

- rolling over an existing Funding Agreement with an individual community sector organisation; or
- requesting a quote from an individual community sector organisation (or organisations) to enter into a Funding Agreement for specified services to be delivered; or
- requesting a proposal from an individual community sector organisation (or organisations) to propose a service or services to meet client outcomes which will be funded through a negotiated Funding Agreement; or
- seeking expressions from community sector organisations that may be interested in proposing or quoting for yet to be specified services, to be funded through a negotiated Funding Agreement.

Procurement by contract or grant by funding agreement

It is important that a clear distinction be drawn between procurement processes and grant processes, this is because different Treasurer's Instructions apply to each process.

Procurement processes involve the purchase of goods and services by the Department for use or consumption by the Department and where the Department receives the benefits, economic or otherwise, of the goods and services.

Procurements must comply with the Treasurer's Instructions in relation to procurement. These are Treasurer's Instructions TI 1101 to TI 1124 for the procurement of goods and services and Treasurer's Instructions TI 1201 to 1229 for Building and Construction/Roads and Bridges Procurement.

Details on the application of these Treasurer's Instructions can be found in the Department's Contract Review Committee & Procurement Handbook.

Grant processes involve the Department providing assistance by way of a sum of money or other resource to an organisation or individual on the condition

Section 2: Determine Method

that the assistance is used for a specified purpose, and where the Department receives no direct economic benefits in return for the assistance provided.

Grant processes must comply with Treasurer's Instruction TI709 Grant Management Framework, issued in August 2008.

While a grant process may mirror the steps applied in a procurement process, Treasurer's Instruction TI709 necessarily provides greater flexibility than the Instructions in relation to procurement, in order to meet grant program objectives and to properly accommodate the nature of the organisations seeking grant funding. Nevertheless, it is still important that basic principles of fairness, equity and probity are observed in a competitive grant allocation processes, and considered in all grant processes.

The nature of the grant may be such that a manager may elect to apply the more stringent procurement process to a proposed grant transaction. This is not precluded by Treasurer's Instruction TI709 and may be deemed necessary due to the actual or perceived risks of the proposed transactions. However, a procurement of goods and services can never be treated as a grant process.

The determination of whether to apply procurement processes to a proposed grant transaction is necessarily one of the very earlier determinations to be made as part of the development of a Business Case.

Section 2: Determine Method

Step 2.1 Determine whether the proposed transaction should be treated as a procurement by contract or grant by funding agreement.	Procurement by Contract	Grant by Funding Agreement
	Characterised by: <ul style="list-style-type: none"> • goods or services are to be consumed by DHHS; • transaction will require regular testing of the market; and • typically there is no long term relationship established with the provider in terms of shared outcomes. 	Characterised by: <ul style="list-style-type: none"> • assistance by way of a sum of money or other resource provided to an organisation or individual by the Department on the condition that the assistance is used for a specified purpose; • DHHS receives no direct economic benefits in return for the assistance provided; • funding may be of an ongoing or recurring nature; and • DHHS may establish a long term relationship with the organisation or individual receiving the funding in order to improve achievement of shared outcomes.
	The proposed transaction is a (select one):	
	Procurement by Contract	Grant by Funding Agreement
	Determining that this proposed transaction is a procurement requires that you now apply the requirements of the Department's Contract Review Committee & Procurement Handbook. Do not complete this Business Case Template. Go to the Contract Review Committee & Procurement Handbook for guidance on application of the Department's Procurement Policies.	Determining that this proposed transaction is a grant by Funding Agreement requires that you now determine how to approach a community sector organisation or organisations. Please go to Step 2.2.

Section 2: Determine Method		
Step 2.2 Determine how to approach a community sector organisation or organisations (select or tick one)		Rolling Over Rolling over an existing Funding Agreement with an individual community sector organisation
		Request for Quotation Requesting a quote from an individual community sector organisation (or organisations) to enter into a Funding Agreement for specified services to be delivered
		Request for Proposal Requesting a proposal from an individual community sector organisation (or organisations) to propose a service or services to meet client outcomes which will be funded through a negotiated Funding Agreement
		Expression of Interest Seeking expressions from community sector organisations that may be interested in proposing or quoting for yet to be specified services, to be funded through a negotiated Funding Agreement
	Reason or justification for approach chosen:	

Section 3: Background Information

Objective

The objective of this section of the Business Case is to provide background contextual information on the proposal for funding and if known, the organisation proposed to be funded.

Policy Guidance

Program Overview

The Program Overview of the proposal should describe the overall purpose for which the funding is being proposed and how that purpose aligns with Departmental or Government outcomes and how the purpose intends to be measured through key performance indicators (KPIs).

In determining the Program Overview consider addressing:

- Program objectives;
- purpose of the proposed funding and alignment to outcomes;
- relationship to previous funding decisions;
- outcomes of reviews or evaluations of previous related funding decisions;
- value of proposed funding;
- KPIs; and
- proposed term of the Funding Agreement (one-year, defined period, recurrent, possible extension of period).

Purpose

The purpose of the proposed funding will need to be included within the Schedule supporting the Funding Agreement. In determining the purpose consider:

- Is there specific legislation determining the purpose?
- Is other guidance in place setting out purpose of the proposed funding?

Aligning the Purpose with Outcomes

Consider the following questions in addressing the alignment of the purpose to outcomes.

- Does the purpose align to achieving Departmental program or sub-program objectives?
- If so, ensure you document how you have made this assessment. You may want to consider the following sources of information:
 - Strategic priorities of Government;

Section 3: Background Information

- Policy initiatives;
 - Budget priorities;
 - Future Communities;
 - Future Health; and
 - Reform program.
- If not, are there other DHHS programs or sub-programs that better align to the purpose?
 - Consider whether there is policy development required to establish DHHS program and sub-program objectives related to this proposed funding?
 - Are there programs within other State or Australian Government entities that better align to the purpose

Warning – if you have any doubt about the alignment of the proposed purpose of the funding agreement to DHHS program or sub-program objectives you should not proceed any further with this Business Case. If you have concerns raise these with your Director or the Office for the Community Sector before proceeding further with the Business Case.

Organisational overview (if known)

If the proposal is to fund an individual organisation rather than an entire Program, the overview should consider addressing organisational issues possibly including:

- where known, describe the organisation's main aims, organisational structure and key responsibilities; and
- provide details of other existing funding agreements in place for the organisation.

Section 3: Background Information

Step 3.1 Business case background information THIS INFORMATION WILL BE INCLUDED IN SCHEDULE 1 OF THE FUNDING AGREEMENT	Organisation name:								
	Proposed value of annual funding:		\$						
	Service Overview:		[INSERT AN OVERVIEW OF THE PURPOSE FOR WHICH THE FUNDS ARE TO BE USED.]						
	Service Aim:		[INSERT A STATEMENT THAT IDENTIFIES THE AIM OF THE SERVICE. THE SERVICE AIM IS WHAT IS INTENDED TO BE ACHIEVED FOR THE CONSUMER AS A CONSEQUENCE OF THE DELIVERY OF THE SERVICE DESCRIBED ABOVE.]						
	Program Objectives: Key objectives and priorities of the program are to:		<ul style="list-style-type: none"> [INSERT THE KEY OBJECTIVES AND PRIORITIES OF THE PROGRAM] 						
	Expected Service Outcomes:		<ul style="list-style-type: none"> [INSERT THE EXPECTED OUTCOMES FOR THE CONSUMER OF THE SERVICE] 						
	The purpose is best achieved by funding: <table border="1"> <tr> <td>Service delivery (specify):</td> <td>Capacity building or innovation funding (specify):</td> <td>Other (specify):</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table>			Service delivery (specify):	Capacity building or innovation funding (specify):	Other (specify):			
	Service delivery (specify):	Capacity building or innovation funding (specify):	Other (specify):						
Provide a description of how the purpose aligns with Departmental or Government outcomes:									
Warning – if you have any doubt about the alignment of the proposed purpose of the funding agreement to DHHS program or sub-program objectives, you should not proceed any further with this Business Case. If you have concerns raise these with your Director or the Office for the Community Sector before proceeding further with the Business Case.									

Section 3: Background Information

	Key Performance Indicators (KPIs):																		
	<table border="1"> <tr> <td colspan="5">Period of proposed funding (circle):</td> </tr> <tr> <td>Shorter than 1 year</td> <td>1 Year</td> <td>1 Year with capacity to extend</td> <td>Longer term</td> <td>Other than a time-based term</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Specify:</td> <td>Specify:</td> </tr> </table>					Period of proposed funding (circle):					Shorter than 1 year	1 Year	1 Year with capacity to extend	Longer term	Other than a time-based term				Specify:
Period of proposed funding (circle):																			
Shorter than 1 year	1 Year	1 Year with capacity to extend	Longer term	Other than a time-based term															
			Specify:	Specify:															
Step 3.2 Organisational overview (if known)	Where known, provide a description of the organisation's main aims, organisational structure and key responsibilities:																		
	Where known, provide details of other existing funding agreements in place for the organisation or other factors that may demonstrate the organisation's capability to deliver these and other services:																		

Section 4: Assess Need

Objective

The objective of this section of the Business Case is to document the basis for determining that there is a need for the proposed funding.

Policy Guidance

Community service delivery need

Each DHHS Operational Unit should have an up to date Needs Analysis for Programs, or client groups, or service areas. Where appropriate the Business Case prepared for the Program or individual Funding Agreement should draw upon that already completed Needs Analysis.

Describe the community service delivery need that will be met by the proposed funding and why it is needed now and in this way. Consider addressing:

- how the need for the service been established;
- whether this is a recurrent service;
- identified service delivery failure(s);
- representations by individuals;
- representations by CSO or Peak Bodies;
- representations by Members of Parliament;
- consequences of service delivery reviews and evaluations (by DHHS Operational Units OCS or independent assessments);
- service gap analysis by DHHS Operational Staff;
- media reports;
- policy decision of Government; and
- other (please provide relevant details or references).

CSO capacity building or infrastructure need

Describe the CSO capacity building or infrastructure that will be met by the proposed funding and why it is needed now and in this way. Consider addressing:

- how has the need for funding been established;
- industry training or skills levels assessments;
- representations by CSO or Peak Bodies;

Section 4: Assess Need

- consequences of service delivery reviews and evaluations (by DHHS Operational Units OCS or independent assessments);
- service gap analysis by DHHS Operational Staff;
- media reports;
- policy decision of Government; and
- other (please provide relevant details or references).

Quantification of need

Describe the quantity of service delivery or capacity building or infrastructure that is proposed to be funded. Note that this is not the quantity the services to be delivered, but the level of need established. There may be some remaining unmet need even after a Business Case is accepted.

Quantification of need may be difficult.

For service delivery this may include:

- number of recipients;
- number of beds;
- hours of service; and
- population base – Statewide and by Area.

For capacity building and infrastructure, this may include:

- staff training plans;
- skills Staff numbers for training and development;
- strategic asset management plans;
- asset replacement planning; and
- levels of occupancy or asset utilisation.

Other issues

Are there any issues identified here that need to be discussed with the Office for the Community Sector before proceeding further with the Business Case?

Section 4: Assess Need		
Step 4.1 Document how the need was assessed and quantified	Describe the service delivery need that will be met by the proposed funding and why it is needed now and in this way.	
	Describe the CSO capacity building or infrastructure that will be met by the proposed funding and why it is needed now and in this way.	
	Describe the quantity of service delivery or capacity building or infrastructure that is proposed to be funded.	

Section 5: Confirm Funding Available

Objective

The objective of this section is to confirm that funding is available to meet the requirements of the proposed Funding Agreement.

Policy Guidance

Funding available

The Business Case should not be approved if there is insufficient available budget. In determining whether there is sufficient budget funding for the proposed Funding Agreement managers and staff should consider the following factors.

Total Departmental budget for program or objective	
Less, Total allocated budget for other program or outcomes	
Less, Total allocated budget for program or outcomes	
Less, Proposed funding of this Business Case	
Equals, Remaining unallocated budget for program or outcomes	

Where unallocated funding is insufficient to meet this proposal, provide details of alternative additional funding to be utilised.

If necessary, ensure that the funding is confirmed for you by discussing with the Finance Unit or the Finance and Performance Unit within the Office for the Community Sector.

Funding sources codes

Detail the funding source codes to be used if this Business Case is approved. These will include codes in relation to:

- project;
- cost centre;
- sub-program and program;
- natural account.

If necessary, ensure that the funding is source codes are confirmed for you by the Finance and Performance Unit within the Office for the Community Sector.

Other issues

Confirm your understanding of the basis for the development of the budget. This will include considering:

Section 5: Confirm Funding Available

- Was the budget based on prior years plus an indexation factor?
- Is there a unit costing model applied?
- Are there unspent funds from previous years Funding Agreements?
- Liabilities (including for example employee entitlements or redundancy provisions) that require funding from unspent funds?
- Other sources of income for the CSO over and above the grant by Funding Agreement?
- Cash in excess of immediate service demands or liability funding requirements?

Other issues

Are there any issues identified here that need to be discussed with the Office for the Community Sector before proceeding further with the Business Case?

Section 5: Confirm Funding Available		
Step 5.1 Document your confirmation of funding for the proposed Funding Agreement	Confirm that funding is available (yes or no):	
	For future budget development, does this proposal include a requirement for ongoing funding commitments?	
	If so, please detail these ongoing future funding commitments.	
	Provide information necessary for costing the proposed transactions, including:	
	Business Unit code:	
	Natural account code(s):	
	Fund code(s):	
	Project code(s):	
	Describe the basis upon which the budget for the proposed funding agreement is based. Consider: How was the proposal costed? Full cost of service? Average cost? Prior year adjusted for indexation? Other method?	

Section 6: Define Service

Objective

The objective of this section of the Business Case is to define and quantify what is to be funded under the proposed funding agreement. This will require consideration of the quantity, quality, location and timeliness of the services or capacity building and innovation initiative to be funded.

Policy Guidance

Service type

This information will be used to develop the deliverables schedule to be incorporated as part of the Funding Agreement.

Guidance on service types

Describe the service to be delivered. There are pre-existing service descriptions available from the Australian Institute of Health and Welfare. In relation to community services, these are documented in *National Classifications of Community Services, Version 2.0 (2002)*, AIHW cat. No. HWI 40. **These are available from:**

Measure of quantity of service?

In determining how the services are to be quantified, please consider:

- hours of service (possibly per day or week);
- days per week;
- number of recipients;
- number of beds;
- complexity of service; and
- population base – Statewide and by Region.

How are services to be delivered?

In determining how the services are to be delivered, please consider:

- quarter by quarter;
- evenly over the year; or
- 24 hours a day, 365 days per year.

Where are these services to be delivered?

Consider where the services are to be delivered:

Section 6: Define Service

- Statewide;
- by areas; or
- in rural or urban locations.

Relevant service quality standards?

What service quality and safety standards need to be incorporated into the Funding agreement? Consider:

- mandatory quality and safety standards as required under the Quality and Safety Standards Framework; and
- service specialist standards.

Section 6: Define Service

Step 6.1 Document the services to be delivered under the proposed Funding Agreement as well as standards of quality, safety, quantity and location necessary to ensure appropriate service delivery and accountability of service providers THIS INFORMATION WILL BE INCLUDED IN SCHEDULE 1 OF THE FUNDING AGREEMENT	Service:		[INSERT SERVICE DESCRIPTION]		
	AIHW Service Classification:		[INSERT AIHW NATIONAL COMMUNITY SERVICES OR HEALTH ACTIVITIES CLASSIFICATION CODE]		
	AIHW Delivery Setting		[INSERT AIHW NATIONAL COMMUNITY SERVICES OR HEALTH DELIVERY SETTING CLASSIFICATION CODE]		
	Section	Group	Class	Setting	
	[INSERT AIHW NATIONAL CLASSIFICATION SECTION DESCRIPTION]	[INSERT AIHW NATIONAL CLASSIFICATION GROUP DESCRIPTION]	[INSERT AIHW NATIONAL CLASSIFICATION CLASS DESCRIPTION]	[INSERT AIHW NATIONAL CLASSIFICATION DELIVERY SETTING DESCRIPTION]	
	Additional Classification Type (where applicable e.g. Disability Services, HACC or SAAP NMDS):				
	AgencyID	OutletID	Outlet Name	Type	Classification
	[INSERT AGENCY ID CODE]	[INSERT OUTLET ID CODE]	[INSERT OUTLET NAME]	[INSERT NMDS TYPE CODE]	[INSERT CLASSIFICATION DESCRIPTION]
Service Locations:					
[INSERT THE SPECIFIC LOCATIONS WHERE SERVICES ARE TO BE DELIVERED]					

Section 6: Define Service

	Special Legislation: The services outlined in this Schedule are to be delivered in accordance with the:	[INSERT THE NAME OF THE LEGISLATION IN ACCORDANCE WITH WHICH THE SERVICES ARE TO BE DELIVERED (IF APPLICABLE).]
	Activities: The services outlined in this Schedule will include the following support and specific activities:	<ul style="list-style-type: none"> • [INSERT THE SPECIFIC ACTIVITIES TO BE UNDERTAKEN IN THE DELIVERY OF THE SPECIFIED SERVICES] • [INSERT THE SPECIFIC ACTIVITIES TO BE UNDERTAKEN IN THE DELIVERY OF THE SPECIFIED SERVICES] •
	Service Delivery Quantity Measures: The quantity of services outlined in this Schedule will be measured by:	<ul style="list-style-type: none"> • [INSERT THE SPECIFIC QUANTITY MEASURES OF SERVICES TO BE DELIVERED]
	Mandatory Quality and Safety Standards Obligations: The Organisation must demonstrate compliance with the Community Sector Organisations Mandatory Quality and Safety Standards Framework by the specific compliance dates. Compliance will be demonstrated by ongoing improvement in achieving the following performance indicators:	<p>Safe environment – compliance by 31 December 2009</p> <ul style="list-style-type: none"> • The Organisation is compliant with all fire legislation and regulation. • The Organisation is compliant with all food safety legislation and regulation. • The Organisation engages in safe management practices of consumer medication. • The organisation engages with occupational health and safety requirements. <p>Consumer Focus – compliance by 30 June 2010</p> <ul style="list-style-type: none"> • The Organisation actively engages in the health and well being of consumers. • The Organisation engages in processes to support the lifestyle needs of consumers. • The Organisation responds to the cultural needs of consumers. • The Organisation supports the inclusion of consumers in their community. • The Organisation promotes and protects the rights and responsibilities of consumers. • The Organisation promotes opportunities to consumers.

Section 6: Define Service

	Service Specialist Quality and Safety Standards Obligations: The Organisation must demonstrate compliance with the following Service Specialist Standards. Compliance will be demonstrated by ongoing improvement in achieving the following performance indicators:	<ul style="list-style-type: none">
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Section 7: Document Risk Assessment

Objective

The objective of this section is to confirm that funding is available to meet the requirements of the proposed Funding Agreement.

Policy Guidance

The assessment of risk is to be completed by:

- the OCS addressing aspects of CSO-wide risks, including financial sustainability; and
- Operational Units assessing service type risks, service volume and capacity risks and the value of the funding agreement.

The risks to be assessed within the risk assessment are those that may affect the ability of the CSO to:

- contribute to achieving outcomes for clients;
- deliver the services specified in the agreement;
- achieve the required Quality and Safety Standards Framework measures;
- demonstrate appropriate governance and accountability for the use of public monies; and
- demonstrate financial sustainability, to support ongoing service delivery.

Other issues

Are there any issues identified here that need to be discussed with the Office for the Community Sector before proceeding further with the Business Case?

Section 7: Document Risk Assessment

Step 7.1 Document your assessment of the risks associated with the proposed Funding Agreement	Does the organisation demonstrate high levels of governance?	<i>Issues to consider:</i> <ul style="list-style-type: none"> • <i>An active Board or Management Committee</i> • <i>Independent members on the Board or Management Committee</i> • <i>Regularity of Board or Management Committee meetings</i> • <i>Past experience of disruptive Board or Management Committee memberships</i> • <i>Past experience of concern about oversight of service delivery or financial performance</i> • <i>Quality of the relationship between the Board and Management Committee and the Department of Health and Human Services</i>
	Does the organisation demonstrate appropriate strategic and organisational planning approaches?	<i>Issues to consider:</i> <ul style="list-style-type: none"> • <i>Does the organisation have a Strategic Plan?</i> • <i>Does the Strategic Plan set out the outcomes to be achieved for the organisation's client and target groups?</i> • <i>Is the Strategic Plan sufficiently detailed for the size and scale of the organisation and its operations?</i> • <i>Does the Strategic Plan align to the Operational Plan for the next year?</i> • <i>Are the services set out in the Operational Plan consistent with your knowledge of the organisations operations?</i> • <i>Are area of performance improvement identified in past desktop or service review addressed within the current Strategic or Operating Plan?</i>
	Does the organisation provide a safe environment for staff, clients and visitors?	<i>Issues to consider:</i> <ul style="list-style-type: none"> • <i>Does the organisation demonstrate building and fire risk management practices?</i> • <i>Does the organisation meet all food safety standards?</i> • <i>Does the organisation undertake pre-employment and pre-placement checks and screening?</i>
	Is the organisation financially sustainable?	<i>Issues to consider:</i> <ul style="list-style-type: none"> • <i>current ratio greater than 1.0</i> • <i>cash or cash like assets available to meet employee entitlement liabilities</i> • <i>asset replacement expenditure at least equal to annual depreciation expense</i> • <i>a strategic asset management plan</i>

Section 7: Document Risk Assessment

	Does the organisation meet its financial accountability requirements?	<p><i>Issues to consider:</i></p> <ul style="list-style-type: none"> • <i>financial statements are submitted on time</i> • <i>financial statements have an ‘unqualified’ independent audit report</i> • <i>other reporting requirements are satisfied</i> • <i>asset management and reporting obligations are complied with</i>
	Are specific risks to the achievement of the outcomes for clients or service delivery adequately mitigated?	<p><i>Issues to consider:</i></p> <ul style="list-style-type: none"> • <i>past service delivery experience of CSO</i> • <i>nature of client needs and complexity of services</i> • <i>experience of CSO in delivering services and meeting client outcomes</i> • <i>staffing of CSO</i> • <i>skills of CSO staff</i> • <i>facilities and equipment necessary for service delivery</i>
	Are specific service delivery risks for the organisation adequately mitigated?	<p><i>Issues to consider:</i></p> <ul style="list-style-type: none"> • <i>past Quality and Safety Standards self-reports and desktop and service reviews</i> • <i>demonstrated ability to delivery to Service Specialty Standards</i> • <i>experience and history of the organisation delivering the service</i> • <i>client base and client needs</i> • <i>complexity of services</i> • <i>experience of staff</i>
	Are there risks of not providing funding for this Program or funding to this organisation?	<p><i>Issues to consider:</i></p> <ul style="list-style-type: none"> • <i>Government, Departmental and individual outcomes not being achieved</i> • <i>levels of unmet need</i> • <i>client base and client needs</i> • <i>equitable access of services across the State or Area</i>

Section 7: Document Risk Assessment

	Does the proposed value of the Funding Agreement result in a higher level of risk?	<i>Issues to consider:</i> <ul style="list-style-type: none"> <i>is the proposed grant greater than \$100,000?</i> 		
	Risk Assessment Rating (circle):	High	Moderate	Low