



GOVERNMENT OF  
WESTERN AUSTRALIA

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**STATE COMMISSIONING STRATEGY FOR**

# **Community Services**

**Implementation Plan**

**2022 - 2024**



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***The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of Aboriginal communities and their cultures; and to Elders both past and present.***

The State Commissioning Strategy for Community Services (the Strategy) has been developed to improve how government works with organisations to deliver community services to Western Australians in need. The Strategy introduces strategic commissioning at the centre of our decision making and includes four key themes with guiding principles as depicted in the image below.



## Purpose and scope

**The transition to commissioning under the Strategy will take time and requires an iterative approach.**

The purpose of this initial Implementation Plan (the Plan) is to set out priorities, actions and responsibilities for the first two years, to establish a solid foundation for ongoing implementation over the five-year Strategy.

The Plan reflects needs at a whole of government level and has been developed in consultation with government and the community services sector within the context of the five-year Strategy. It exists within an ecosystem of other related government policies and resources.

The transition to commissioning is the responsibility of all parties in the system including central government agencies,<sup>1</sup> government line agencies,<sup>2</sup> the community services sector and Aboriginal Community Controlled Organisations (ACCOs). This Plan includes responsibilities for all parties that when actioned will benefit the whole system and the focus is on how government can support change. The actions provide direction and support at a whole of government or whole of system level and these will be translated and reflected in agency and portfolio specific priorities.

Government line agencies will identify specific commissioning priorities through their own Agency Commissioning Plans (ACPs). All ACPs for community services must align with the Strategy to ensure that services are appropriately targeted, and that Western Australia (WA) is moving towards a commissioning approach at a whole-of-government level. The bulk of community services are delivered on behalf of five key line agencies: the Departments of Communities, Education, Health, Justice and the Mental Health Commission.<sup>3</sup>

This Implementation Plan is to be read in conjunction with the following strategies and policies:

**The State Commissioning Strategy**

**The Delivering Community Services in Partnership Policy**

**The National Agreement on Closing the Gap**

**The Aboriginal Empowerment Strategy 2021-2029**

**WA Procurement Rules**



<sup>1</sup> 'Central government agencies' or 'central agencies' refers to the Departments of Finance, Treasury and the Premier and Cabinet.

<sup>2</sup> 'Government line agencies' or 'line agencies' refers to government agencies that procure community services.

<sup>3</sup> While other agencies procure community services, it is expected that activity under the Plan will be proportionate to the agency's investment in community services.



## Enablers

The Strategy identifies four key enablers for implementation, presented at the centre of the image below. The Plan has eight priorities which have been identified through the enablers, consultation undertaken and the themes of the Strategy.





# Priorities

The priorities and the range of activities required to implement the Strategy will drive progress towards embedding a commissioning approach, improving outcomes and achieving positive long-term change.

**Priority 1:** Implement Agency Commissioning Plan framework

1

**Priority 2:** Improve and increase contracting with Aboriginal Community Controlled Organisations

2

**Priority 3:** Embed governance structure

3

**Priority 4:** Supporting a sustainable system for commissioning community services

4

**Priority 5:** Opportunities for integrated and place-based services

5

**Priority 6:** Support organisational change to facilitate commissioning

6

**Priority 7:** Develop commissioning education, training and guidance

7

**Priority 8:** Options for data sharing and implement the outcomes measurement framework

8



# Implement Agency Commissioning Plan framework

PRIORITY

1



**A community & person-centered approach focused on outcomes**



**A sustainable system**



**Inclusive services**  
- focus on Aboriginal outcomes & partnerships



**Well-led, supported & transparent system**

Implementation of the Agency Commission Plan (ACP) framework is the key tool to plan and monitor progress towards a whole-of-government commissioning approach under the State Commissioning Strategy. The ACP framework will be based on a minimum two-year cycle<sup>1</sup> and the resulting plans will provide an update on line agencies strategic commissioning activities. The ACPs are expected to include the prioritisation of ACCOs, commissioning activities to be undertaken as part of the ACCO Strategy,<sup>2</sup> implementation of integrated and place-based services, the sustainability of community services, and agency capacity and capability to undertake commissioning and the approach to co-design or collaboration.

During the development of ACPs, proactive consideration of commissioning opportunities to support the WA Government's achievement of Closing the Gap (CTG) requirements improving outcomes for Aboriginal people in WA must be considered.

The ACPs provide a mechanism to clearly communicate with the sector and government how line agencies are driving change at a departmental and individual service or program level. They will link to agency budget considerations and provide transparent information which is expected to lead to opportunities for greater collaboration across line agencies.

<sup>1</sup> ACPs can be updated more regularly at the line agency's discretion.

<sup>2</sup> See Priority 2: Improve and increase contracting with Aboriginal Community Controlled Organisations.



## Coordinating agency

Department of Finance

### Actions

1. Formalise and implement the ACP framework including structure of an ACP template, and process for submission, review, publication and reporting.
2. Line agencies to undertake stakeholder consultation on ACPs and ongoing commissioning activities.

### Expected benefits

- Consistent framework across line agencies to support the community services sector's understanding of line agencies' future commissioning intentions
- Improving accountability and transparency of proposed commissioning activities across government line agencies
- An evidence base to enable opportunities for integrated services, improved co-design and co-commissioning
- Agency commissioning processes aligned to the budget cycle
- A consistent evidence base to support government decision making
- Improved assessment of risks to commissioning including current skills gaps and areas for improvement including recognition of co-design requirements
- Consistent approach to co-design including clarity on when co-design is required

## Roles and responsibilities

### Central agencies

- Establishing the ACP framework
- Undertaking ACP reviews
- Reporting to governing bodies, as defined by the governance structure
- Assisting line agencies with consultation with the community services sector

### Line agencies

- Contributing to the development of the ACP framework
- Developing and updating ACPs
- Submitting ACPs for review
- Consulting with the community services sector
- Ensuring agency activities align with their ACP
- Publishing of ACPs

### Community services sector

- Engaging in consultation on ACPs and commissioning activity
- Peak bodies providing communications and wider sector support

### Timeframe for completion of initial actions

1. December 2022 – Formalise and implement the ACP framework.
2. December 2022 – Line agency stakeholder consultation on their existing ACPs.

# Improve and increase contracting with Aboriginal Community Controlled Organisations

PRIORITY

2



A community & person-centered approach focused on outcomes



A sustainable system



**Inclusive services**  
- focus on Aboriginal outcomes & partnerships



Well-led, supported & transparent system

The State Commissioning Strategy identifies as a key theme *Inclusive services with a guiding principle of prioritising Aboriginal empowerment in the delivery of outcomes for Aboriginal people, organisations and communities*. This theme provides an opportunity to support ***Closing the Gap Priority Reform 2: Building the Aboriginal Community Controlled Sector***. When government agencies collaborate and partner with ACCOs to design services – whether they are delivered by an ACCO or not – the Strategy supports Priority Reform 1: Partnerships and Shared Decision-Making and Priority Reform 3: Transforming Government Organisations.

***The Aboriginal Empowerment Strategy*** requires government agencies to significantly increase the proportion of services delivered by ACCOs in relevant sectors.

During consultation, it was noted that there is a need for central leadership to support engagement with ACCOs.

## Coordinating agency

Department of the Premier and Cabinet

## Actions

1. The Department of Treasury to undertake an Aboriginal Expenditure Review to identify allocation of existing expenditure and support consideration of reprioritisation of services and funding to the ACCO sector.
2. The Department of the Premier and Cabinet to lead the development of a whole-of-government ACCO Strategy.
3. The Department of Finance to develop a defined term and criteria for line agencies on how to identify ACCOs for procurement and commissioning activities.
4. Line agencies to reflect the ACCO Strategy commitments in their ACPs.
5. Line agencies to support ACCO capacity building efforts, as set out in National Closing the Gap Sector Strengthening Plans.
6. The Department of the Premier and Cabinet to support the development of an ACCO Peak Body that assists the ACCO sector.

## Expected benefits

- Guidance to commissioning line agencies is captured in a Government endorsed State Commissioning Strategy, which outlines the commitments of the National Agreement on Closing the Gap to increase the number of services delivered by ACCOs and to involve ACCOs in service design
- Commissioning line agencies can employ more flexible and targeted commissioning approaches to increase service delivery by ACCOs
- The capability requirements for ACCOs and government agencies are understood, enabling Government to target capability building efforts
- Commissioning line agencies are assisted to identify all potential ACCO partners

## Roles and responsibilities

### Central agencies

- Undertaking engagement with ACCOs and community services sectors on the ACCO Strategy
- Developing the ACCO Strategy
- Developing advice for identifying ACCOs for procurement and commissioning
- Developing an evidence base to identify where ACCOs are currently engaged or could be engaged

### Line agencies

- Engaging in consultation on the ACCO Strategy
- Improving engagement with ACCOs to deliver services to Aboriginal people
- Reflecting on actions to deliver the ACCO Strategy in ACPs

### ACCO sector / Community services sector

- Engaging in consultation on the ACCO Strategy
- Acknowledging the shift to ACCOs and supporting the transition
- Peak bodies providing support and guidance to ACCOs and the wider community services sector to ensure a positive relationship-based transition

## Timeframe for completion of initial actions

1. December 2022 – Aboriginal Expenditure Review.
2. December 2022 – ACCO Strategy.
3. December 2022 – ACCO defined term for procurement and commissioning.
4. June 2023 – ACPs reflect the ACCO Strategy and CTG.
5. January 2023 – Line agencies continue to support ACCO capability building efforts.
6. December 2023 – Development of an ACCO Peak Body.



## Embed governance structure

PRIORITY

3



**A community & person-centered approach focused on outcomes**



**A sustainable system**



**Inclusive services**  
*- focus on Aboriginal outcomes & partnerships*



**Well-led, supported & transparent system**

Governance is key to the successful implementation of the State Commissioning Strategy and progress towards a commissioning approach. Governance groups will need to be multi-level and include both central and line agencies and community services sector representation.

The Department of the Premier and Cabinet has established the Commissioning for Outcomes Deputies Group, which will form part of this governance structure, and includes Deputy Directors General and other nominated senior leaders from government agencies (including strategy, policy, service delivery and corporate areas) that commission community services. The Department of Finance is the lead agency for this Deputies Group.

Existing community services governance groups will be leveraged and reframed to ensure that expertise is targeted and used where needed. For example, the Delivering Community Services in Partnership Working Group is an existing cross-sector group co-ordinated by the Department of Finance whose terms of reference may be expanded to track progress against the Strategy.

## **Coordinating agency**

Department of Finance

### **Actions**

1. Embed multi-tiered governance structure for the implementation and ongoing development of the Strategy, including executive-level government representatives, practitioner-level government representatives and the community services sector.

### **Expected benefits**

- Improved governance structure is appropriate, connected and provides consistent direction to government and the community services sector
- Governance structure supports line agencies and improves accountability
- Governance structure improves transparency and provides a voice and assurance to the community services sector

## **Roles and responsibilities**

### **Central agencies**

- Developing and embedding governance structure
- Managing governance groups where required
- Reviewing and reporting on structures

### **Line agencies**

- Participating in governance groups

### **Community services sector**

- Participating in cross-sector governance groups
- Peak bodies to provide communication options and keep the wider sector informed

### **Timeframe for completion of initial actions**

1. September 2022 – Embed governance structure.

## Supporting a sustainable system for commissioning community services

PRIORITY

4



**A community & person-centered approach focused on outcomes**



**A sustainable system**



**Inclusive services**  
- focus on Aboriginal outcomes & partnerships



**Well-led, supported & transparent system**

The COVID-19 pandemic has highlighted the need for flexible models that enable both government and the community services sector to respond quickly to change. Increased demand as a result of COVID-19 has sparked requests to consider additional funding for community services. Information provided during the drafting of the State Commissioning Strategy indicates that many contracts established under the Delivering Community Services in Partnership Policy have been in place for over five years (some considerably longer) without consideration of whether they remain contemporary, sustainable and appropriate and continue to meet the needs of service users.

To address this priority, reviews of sustainable funding options and demand funding considerations will be conducted, along with implementation of trials of innovative pricing solutions in collaboration with line agencies and the community services sector.



## Coordinating agency

Department of Treasury

### Actions

1. Conduct research on current pricing models for community services and implement innovative pricing model trials, including consultation with community services sector and line agencies on proposed models.
2. Identification of options to address sustainable funding, including consideration of a funding models and cost drivers.

### Expected benefits

- Consistent advice from central agencies provided to line agencies to ensure realistic and informed solutions to issues relating to pricing and costing of community services
- Evidence based mechanisms to address longer term sustainability of community services
- Introduce more effective pricing options through tendering, improving sustainability, transparency and outcomes

## Roles and responsibilities

### Central agencies

- Conducting reviews of sustainable funding model options and demand funding considerations
- Implementing trials of innovative pricing solutions
- Developing guidance for line agencies on sustainable funding, costing and pricing

### Line agencies

- Participating in sustainable funding, costing and pricing discussions and trials
- Consulting with community services sector on service costings
- Developing sustainable budgets for services

### Community services sector

- Providing evidence of programs of services that have become unsustainable
- Participating in sustainable funding, costing and pricing discussions and trials
- Peak bodies to represent providers as required to ensure sector voices are consistent

### Timeframe for completion of initial actions

1. July 2023 – Research, scoping and testing of sustainable and innovative pricing models.
2. July 2023 – Identification of options to address sustainable funding.

## Opportunities for integrated and place-based services

PRIORITY

5



**A community & person-centered approach focused on outcomes**



**A sustainable system**



**Inclusive services**  
- focus on Aboriginal outcomes & partnerships



**Well-led, supported & transparent system**

Integrated and place-based services have been recommended by multiple stakeholders for community services. These have been challenging to implement within the traditional procurement processes and line agency structures. The State Commissioning Strategy provides an opportunity to enable and test these different service models.

Additionally, the Strategy will strengthen and complement the delivery of other whole-of-government policy initiatives, such as Closing the Gap.

The Strategy will drive a whole-of-government approach to identifying opportunities for integrated services and place-based responses to deliver on these policies, ideally moving to a user focused seamless services system.

Consultation with line agencies strongly suggested that central agency leadership is needed to support this priority. Implementation of trials and pilots as a result of this priority will need to be undertaken in consultation with the community services sector.

## Coordinating agency

Department of Finance

### Actions

1. Whole of government consolidation and analysis of Agency Commissioning Plan (ACP) data to identify opportunities for integrated service delivery, trials and pilots of place-based services.
2. Providing leadership and guidance to support line agencies to implement integrated service delivery trials and pilots of place-based services, including joint budget submissions.
3. Support line agencies to develop and undertake trials and pilots, initiate co-commissioning activities.
4. Develop case studies and lessons learned from trials and pilots.

*Note: It is acknowledged these actions are also deliverables of Priority 3: Embed governance structure.*

### Expected benefits

- Improved clarity for initial requirements, pathways and recommendations for future integrated or place-based service delivery
- Increased opportunities for government agencies to participate in integrated services and co-commissioning activities
- Long term transition to seamless services for users across line agencies

## Roles and responsibilities

### Central agencies

- Analysing and consolidating ACP data across government and sharing findings with line agencies to identify possible opportunities
- Providing leadership and guidance on the approach to implementing trials
- Providing advice on appropriate funding mechanisms, as required
- Sharing case studies and lessons learned and promoting these across the community services sector and with line agencies

### Line agencies

- Reviewing ACPs across government and engaging with other government agencies.
- Engaging and consulting with service providers
- Developing case studies on the lessons learnt from trials underway
- Undertaking trials and pilots, co-commissioning activities, including participating in relevant working groups to discuss ideas and opportunities

### Community services sector

- Participating in trials and pilots
- Engaging in consultation to inform opportunities and implementation, providing expertise to support development of pilot programs

### Timeframe for completion of initial actions

1. December 2022 – Initial ACP analysis and advice.
2. July 2023 – Develop guidance to support line agencies to implement integrated service delivery trials and pilots of place-based services.
3. July 2023 – Support government line agencies to develop and undertake trials and pilots.
4. April 2024 (Onwards) – Develop case studies of any pilots underway to determine their success or opportunities for improvement.



## Support organisational change to facilitate commissioning

PRIORITY

6



**A community & person-centered approach focused on outcomes**



**A sustainable system**



**Inclusive services**  
- focus on Aboriginal outcomes & partnerships



**Well-led, supported & transparent system**

Commissioning goes beyond just the procurement and management of services and involves a different mindset, culture and behaviours, which in turn requires a change in people's skills and capability, processes, technologies, and infrastructure.

Recommendations to line agencies to facilitate a strategic approach to planning, managing and monitoring the adoption of a commissioning approach may include:

- changes to organisational capability;
- a change management strategy which identifies and mitigates the magnitude of change required;
- development of a skills set and capability matrix;
- project management;
- stakeholder engagement;
- procurement and contract management; and
- monitoring and evaluation.

It will be important for line agencies to be able to determine their own capability and capacity to adopt this strategic approach.

## Coordinating agency

Department of Finance

### Actions

1. Engage consultant to develop options to measure line agencies commissioning capability and capacity, for example a self-assessment tool.
2. Implement tools and processes to assist line agencies to identify commissioning capability and capacity gaps.
3. Implement targeted tools and resources to support agencies to improve identified gaps.

### Expected benefits

- Government agencies have an improved understanding of existing skills required to support good practice commissioning across line agencies
- Government agencies have valid information that supports structural reviews and roles required to undertake a successful commissioning approach

## Roles and responsibilities

### Central agencies

- Examining options for a self-assessment tool for line agencies
- Developing resources, tools and guidance for commissioning approaches suitable for agencies
- Monitoring and evaluating line agencies' commissioning maturity level

### Line agencies

- Actively participating in commissioning self-assessment and capability building opportunities, as required
- Conducting commissioning processes in accordance with guidance
- Upskilling internal agency staff on an ongoing basis as required

### Community services sector

- Engaging in commissioning activity and consultation with line and central agencies
- Providing feedback to government agencies if clear capability gaps in agencies are identified, so that a collaborative approach can be developed to meet these needs

### Timeframe for completion of initial actions

1. September 2022 – Engage consultant to develop options to measure and establish a baseline of agency commissioning capability and capacity e.g. self-assessment tools
2. January 2023 – Implement tools and processes to assist line agencies to identify commissioning capability and capacity gaps.
3. September 2023 – Implement targeted tools and resources to support line agencies with identified gaps.

## Develop commissioning education, training and guidance

PRIORITY

7

The transition to commissioning requires expanded capability beyond technical procurement skills. While commissioning is an established approach internationally (for example, in the United Kingdom), it is still relatively new in WA. Lessons will be taken from other Australian jurisdictions and international experiences along with those from other sectors such as health and embedded into a community services context for WA.

The existing resources in place for the Delivering Community Services in Partnership Policy will be expanded to ensure a commissioning focus and further tools, training and resources are developed to support line agencies to adopt a commissioning approach.



**A community & person-centered approach focused on outcomes**



**A sustainable system**



**Inclusive services**  
- focus on Aboriginal outcomes & partnerships



**Well-led, supported & transparent system**



## Coordinating agency

Department of Finance

### Actions

1. Engage a consultant to develop a commissioning training program for line agencies.
2. Develop commissioning-focused education, training and guidance for government agencies (holistic and /or agency specific) and consider sector requirements (in collaboration with peak bodies).
3. Provide clarity and leverage existing co-design tools and resources.
4. Update procurement templates and provide focused education, training (including training on the State's Outcomes Measurement Framework) and guidance to the community services sector (in collaboration with peak bodies).

### Expected benefits

- Improved understanding of commissioning and its application
- Build and enhance commissioning skills and capability across government agencies and the community services sector

## Roles and responsibilities

### Central agencies

- Education, training and guidance for line agencies, including developing and sharing case studies

### Line agencies

- Providing feedback to central agencies on education, training and guidance needs
- Ensuring the identification and availability of appropriate personnel
- Promoting training events to appropriate personnel

### Community services sector

- Peak bodies to provide training for the community services sector
- Sector takes up opportunities to better understand and operate in a commissioning landscape

### Timeframe for completion of initial actions

1. August 2022 – Engage a commissioning specialist/consultant.
2. June 2023 – First tranche of training completed to agencies and sector representatives.
3. June 2023 – Clarify co-design requirements leveraging existing co-design tools and resources.
4. June 2023 – Update templates, training and guidance for commissioning.

# Options for data sharing and implement the outcomes measurement framework

PRIORITY

8



**A community & person-centered approach focused on outcomes**



**A sustainable system**



**Inclusive services**  
- focus on Aboriginal outcomes & partnerships



**Well-led, supported & transparent system**

Evidence is at the centre of successful commissioning in both the design and evaluation of services. Making better use of the huge volume of administrative data routinely collected by line agencies and service providers has the potential to better target services to vulnerable individuals and families. This data will help measure service delivery outcomes and test whether government programs are working as planned.

Data collection must be robust and fit for purpose in order to understand whether outcomes are being met. Appropriate infrastructure must also be available to facilitate effective and efficient sharing of data while adhering to privacy and other policy requirements.

A strong data sharing system has been identified as a gap in improving commissioning of community services. Through consultation with government and the community services sector, it is agreed this is an important resource to have, however the complexities and time it will take for Government to develop and implement are recognised.

Extensive work has been undertaken to date across government on the development of WA's Outcome Measurement Framework (OMF). The OMF will be implemented across all government agencies commissioning new contracts for community services, enabling improved contractual oversight for the achievement of community outcomes.

## Coordinating agency

Department of the Premier and Cabinet <sup>1</sup>

### Actions

1. Explore options for a centralised data / commissioning sharing system.
2. Review options for service provider reporting to be made consistent and accessed for use across government.
3. Review access restrictions to data held by line agencies to support better planning and evaluation of services.
4. Update commissioning templates and undertake initial training for the OMF.
5. Explore options to align the OMF with other performance reporting frameworks.

### Expected benefits

- Improved collaboration, data sharing, analysis and reporting for planning and evaluation commissioned services across government
- More informed commissioning decisions across government and synergies with the community services sector
- Improved awareness and understanding of outcomes, measures and indicators

## Roles and responsibilities

### Central agencies

- Examining options for data sharing, consistent data definitions, data capture systems
- Reviewing access restrictions, options and considerations
- Training, templates and support provided for the OMF

### Line agencies

- Developing consistent reporting formats working towards a 'report once' approach with data to be used across line agencies
- Engaging with central agencies to work through restrictions or barriers
- Engage with the community services sector to better understand their data systems and explore possible benefits
- Implementation and management of the OMF within contracts and commission cycles

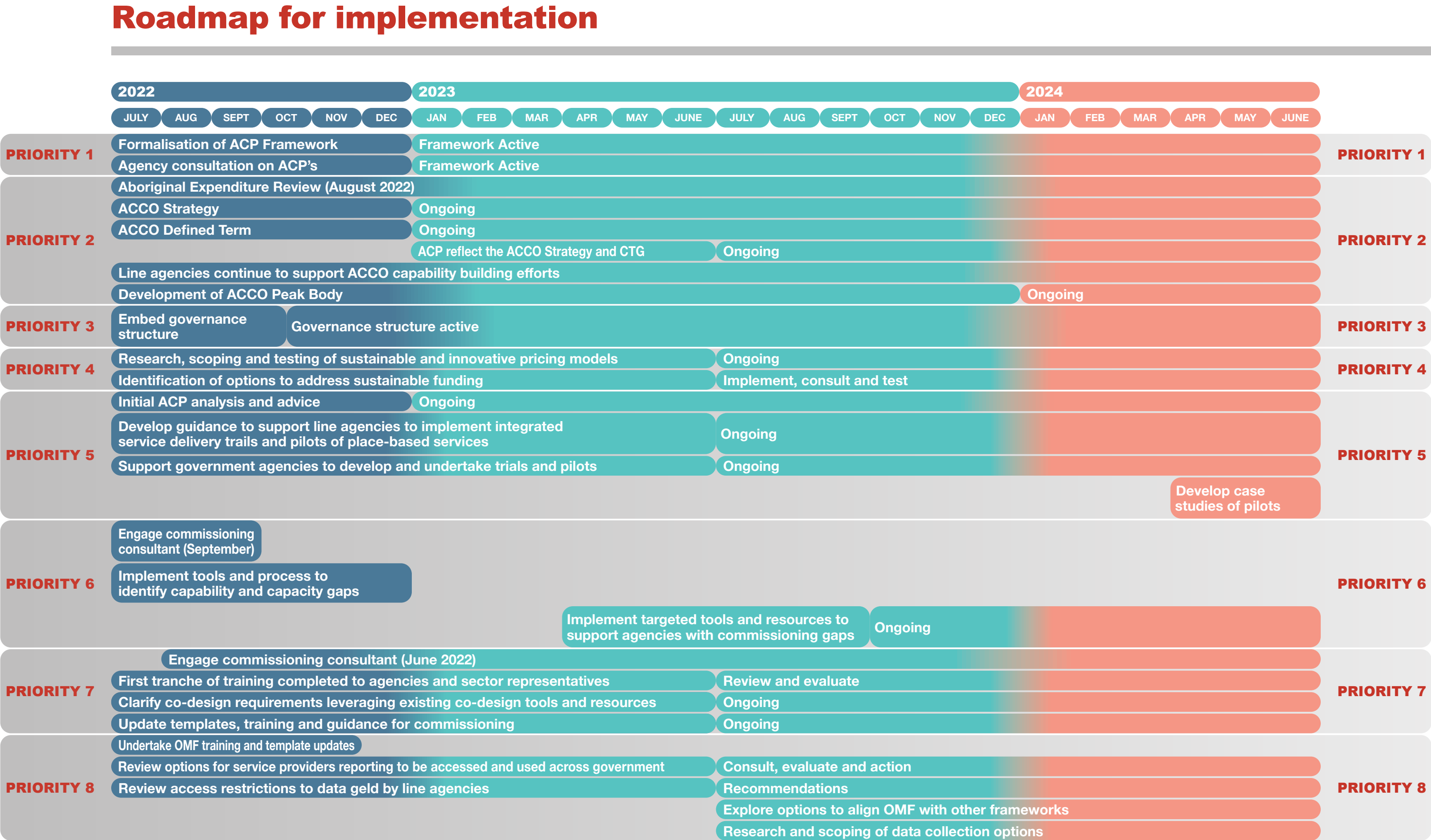
### Community services sector

- Engaging in consultation to inform the approach including sharing of internal data collection systems and mechanisms for data capture
- Contributing to data collection as required by contracts to inform the OMF data

### Timeframe for completion

1. October 2022 – Undertake OMF training and template updates.
2. June 2023 – Review options for service provider reporting to be consistent and accessed and used across government.
3. December 2023 – Review access restrictions to data held by line agencies.
4. June 2024 – Explore options to align the OMF with other performance reporting frameworks.
5. June 2024 – Research and scoping of data collection options including a centralised model.

<sup>1</sup> Department of the Premier and Cabinet (Office of Digital Government) to lead Action 1, depending on the outcome of Action 1 the lead for remaining actions will be determined at a later date.









GOVERNMENT OF  
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