

**Senate Community Affairs Committee**  
**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**  
**SOCIAL SERVICES PORTFOLIO**  
**2017-18 Budget Estimates Hearings**

**Outcome Number: 2.1 Families and Communities**

**Question No: SQ17-000399**

**Topic: 1800RESPECT**

**Hansard page: 56**

**Senator Larissa Waters** asked:

When the Federal Government first awarded the contract to MHS, it was on the proviso that the subcontract go to RDVSA. Is that correct? If so, why did you not now intervene when MHS decided to put the subcontract out to tender?

**Answer:**

The original funding agreement between the previous Department of Families, Housing, Community Services and Indigenous Affairs and Medibank Health Solutions (MHS) included a clause that required MHS to subcontract Rape and Domestic Violence Services Australia (R&DVSA) to deliver counselling services for 1800RESPECT.

Originally, this provision was included to enable the service to be established quickly and to ensure the required infrastructure, telephony and counselling expertise for a successful service.

On 30 June 2016, the Department of Social Services (the Department) varied the agreement with MHS requiring MHS to deliver the *first response model*. At this time the agreement was also varied to remove the specific requirement for MHS to subcontract to R&DVSA. In line with standard Commonwealth practice this variation ensured that it was clear to MHS its obligations under the agreement are its responsibility, including managing subcontracting arrangements. Tying the grant agreement to one provider could limit MHS' ability to meet its obligations under the agreement.

On 31 January 2017, MHS sought the Department's agreement to go to tender for the trauma specialist component of the service. As per its grant agreement with MHS, the Department is required to consider in good faith and not unreasonably withhold consent to MHS' proposed arrangements for the continuation of the trauma specialist counselling service.

After appropriate consideration, the Department did not consider it unreasonable that MHS test the market at this time given the strong sector interest in 1800RESPECT and that a number of organisations with the necessary capabilities and experience to deliver the service currently operate in the market. However, the Department has always been clear with MHS about its expectations that MHS maintain and strengthen pathways with qualified and experienced not-for-profit trauma specialist counselling services.