

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Supplementary Budget Estimates 2012-2013, 17 & 19 October 2012

Question: E12-011

OUTCOME 14: Biosecurity and Emergency Response

Topic: HEALTH PROTECTION FUND

Type of Question: Written Question on Notice

Number of pages: 1

Senator: Senator Fierravanti-Wells

Question:

There has been some movement of those programs but can I take it that the subprogram remain as set out on page 335 under the Health Protection Fund?

Answer:

The subprograms listed on page 335 of the Department of Health and Ageing's 2011-2012 Annual Report, under the Health Protection Fund (the fund), used to be separately funded program areas. These have now been consolidated to form the fund which is managed by the Office of Health Protection.

Subject to future priorities, work continues in all of the areas listed but rather than being separate programs they are now treated as the one program of work under the fund. Activities supported by the fund must meet objectives set out in the fund guidelines (Attachment A) which are publicly available on the Department's website at:
[http://www.health.gov.au/internet/main/publishing.nsf/Content/A4F57A16D45D0E3ECA2578FC007BBF55/\\$File/flexiblefund-guidelines-june2012.pdf](http://www.health.gov.au/internet/main/publishing.nsf/Content/A4F57A16D45D0E3ECA2578FC007BBF55/$File/flexiblefund-guidelines-june2012.pdf)



Australian Government

Department of Health and Ageing

Flexible Fund Guidelines

HEALTH PROTECTION FUND

June 2012

1 Introduction

Introduction

The Health Protection Fund (the Fund) is an Australian Government initiative administered by the Department of Health and Ageing (the Department) designed to support activities/projects/purchase of goods that contribute to and build capacity and capability in national preparedness to respond to health emergencies and risks that may arise through communicable disease outbreaks, natural disasters, environmental and chemical threats and acts of terrorism.

Fund objectives and priorities

Broadly, the Fund's key objectives and priorities include:

- *Prevention* – To prevent, eliminate or reduce the occurrence or severity of communicable disease outbreaks, environmental and chemical threats, and acts of terrorism, and/or reduce the severity of unavoidable natural disasters and other emergencies by minimising the health impacts on the Australian community.
- *Preparedness* – To continue to build and strengthen Australia's preparedness to prevent and minimise the impact from events such as communicable disease outbreaks, natural disasters, environmental and chemical threats and acts of terrorism.
- *Response* – Australia has response systems in place to ensure an effective, coordinated and timely response to health emergencies.

Where possible, preparedness, prevention and response activities will take into account the specific needs of Aboriginal and Torres Strait Islander people and rural and remote Australian communities.

These Fund Objectives, and the types of activities envisaged to be supported under them, are further described at [Attachment A](#). Fund Objectives may be adjusted from time to time to take into account evidence about the effectiveness, efficiency and appropriateness of Fund activities, as well as emerging health protection challenges.

Background

The Health Protection Fund was established in 2011 through the consolidation of a range of existing health protection programs.

Further information about the establishment of the flexible funds is available on the Department's website at: <http://www.health.gov.au>

The Fund consolidates support for a wide range of activities including those activities previously funded such as:

- Elements of the Australian Human Pituitary Hormone Program
- Antivenin production (manufacture of antivenin products)
- Storage and maintenance of pharmaceuticals and non-pharmaceuticals in the National Medical Stockpile
- Northern borders airport response
- Health security and counter-terrorism response capacity including building laboratory capacity
- Support for the World Health Organization Collaborating Centre for Reference and Research on Influenza
- Environmental health related activities

- National public health emergency planning and response
- Pandemic communication activities
- Home quarantine support system

The Fund is intended to be flexible enough to continue to support the types of activities previously supported under the various consolidated programs (subject to demonstrated evidence of effectiveness and available funding), but in a more streamlined manner, as well as new health protection priorities that may arise over time.

Fund scope and operating parameters

The Fund is intended to be broad in scope, and flexible enough to support a wide range of activities for the purposes of strengthening national capacity and capability to protect the health of all Australians.

As funding becomes available under the Fund, it will be allocated by the Minister for Health and Ageing for activities that meet Fund objectives and priorities (including but not limited to those listed at [Attachment A](#)), and then administered as set out in [Section 4](#) of these guidelines.

The funding committed to particular Fund Priorities and supported activities may be varied over time, to take into account:

- Availability of funding
- Evidence, including from evaluation activities, of the effectiveness, efficiency and appropriateness of Fund activities
- Health emergency events
- Changing or emerging health protection risks and challenges

This Fund will primarily source activities that meet Fund objectives and priorities through procurement processes. There may be limited grant arrangements where such arrangements are seen to be the most appropriate approach to meeting Fund objectives and priorities.

1.1 Roles and responsibilities

Minister

The Minister for Health and Ageing will be responsible for reviewing/setting and approving objectives and priorities for the Fund and the allocation of funding against these priorities. These priorities will at all times reflect the aims and objectives of the Fund but may change over time to address emerging issues that will more effectively support health protection activities.

Department of Health and Ageing

The Department will be responsible for the development and dissemination of all fund documentation and for ensuring that such documentation is in accordance with the Fund objectives. The Department will be responsible for notifying potential funding recipients of the outcomes of any funding process and will be responsible for responding to queries in relation to the funding process, and for resolving any uncertainties that may arise in relation to funding requirements.

The Department will also manage the funding arrangements under the Fund and undertake all assessment processes.

The Department will also be responsible for all management and monitoring requirements of successful fund recipients in any process under the Fund such as:

- Developing funding agreements or any alternative contractual arrangements
- Monitoring the performance of activities to ensure the conditions of the contractual arrangement are met
- Assessing performance and financial reports and undertaking follow up activity as necessary

- Making payments on acceptance of milestone reports as specified in the contractual arrangement
- Providing feedback to funded entities on the overall project following the conclusion of activities

Potential Funding Recipients

An entity applying for funding under the Fund is responsible for the development of its funding proposal. As part of any process, entities submitting proposals must ensure all information provided to the Department is accurate.

The Department will enter into contractual arrangements for funding under the Fund with single entities only. Where two or more entities seek funding as a consortium, one entity must be appointed as the lead entity and will enter into any subsequent contractual relationship with the Department. The lead entity must be identified in any proposal for funding and that proposal should identify all members of the proposed consortium.

Entities seeking funding support must be prepared to meet the costs associated with the development and lodgement of the proposal.

Funded Entity

The funded entity is responsible for the efficient and effective delivery of the project/service/goods in accordance with the obligations contained in any contractual arrangement entered into under the Fund. Entities funded under the Fund are also responsible for:

- Ensuring it meets the specifications of the contractual arrangement
- Ensuring the project is managed in a cost effective and efficient manner
- Maintaining contact with the Department and advising of any emerging issues that may impact on the success of the project
- Identify and document risks and the appropriate control strategies
- Reporting on project performance and expenditure in accordance with the contractual obligations
- Assisting with evaluation activities as necessary

1.2 Fund Timeframe

The Fund is an ongoing initiative available from 1 July 2011.

Timeframes for specific activities under the Fund objectives and priorities may vary depending upon the expected outcomes of the individual activities.

1.3 Fund value

The total value of funds available under the Flexible Fund is \$66.307 million over the four years from 2011–12 to 2014–15.

The Department will review priorities under the Fund on an annual basis and provide advice to the Minister on emerging needs and changing priorities, to allow for the adjustment of the funding allocation against priorities and to ensure that emerging health protection challenges are being addressed.

2 Eligibility

2.1 Who can access the Fund?

A wide range of government for-profit, not-for-profit and non-government organisations will be eligible for funding. Potential funding recipients are not required to have had a prior funding relationship established with the Department and may apply for funding from more than one new flexible fund or non-fund source, but must be a legal entity to be eligible for funding, for example:

- a) Incorporated Associations (incorporated under state/territory legislation, commonly have 'Association' or 'Incorporated' or 'Inc' in their legal name)
- b) Incorporated Cooperatives (also incorporated under state/territory legislation, commonly have 'Cooperative' in their legal name)
- c) Companies (incorporated under the *Corporations Act 2001* – maybe not-for-profit or for-profit proprietary company (limited by shares or by guarantee) or public companies)
- d) Aboriginal Corporations (incorporated under the *Aboriginal and Torres Strait Islander Act 2006* and administered by the Office of the Registrar of Aboriginal and Torres Strait Islander Corporations)
- e) Organisations established through a specific piece of Commonwealth or state/territory legislation (many public benevolent institutions, churches, universities, unions etc);
- f) Partnerships
- g) Trustees on behalf of a Trust
- h) State/territory or Local Governments
- i) Where there is no suitable alternative, an individual or jointly and separately individuals

Any enquiries relating to the Fund should be directed to the Fund mailbox ohpflexiblefunds@health.gov.au

2.2 What is eligible for funding?

To be considered for funding, potential funding recipients must propose to undertake activities that meet the aims, objectives and priorities for the Fund and demonstrate value for money.

3 Probity

The Australian Government is committed to ensuring that the process for providing funding under the Fund is transparent and in accordance with published Fund Guidelines. Individual procurement or grant processes will contain detailed guidance on the specific requirements for that process and these will not be inconsistent with the Fund Guidelines.

Note: Fund Guidelines may be varied from time-to-time by the Australian Government as the needs of the Fund dictate.

3.1 Conflict of interest

A conflict of interest may exist, for example, if a potential funding recipient or any of its personnel:

- Has a relationship (whether professional, commercial or personal) with a party who is able to influence the assessment process, such as a Department staff member;
- Has a relationship with, or interest in, an organisation, which is likely to interfere with or restrict the funded organisation in carrying out the proposed activities fairly and independently; or
- Has a relationship with, or interest in, an organisation from which they will receive personal gain as a result of the granting of funding under the Fund.

As part of any procurement or grant process each potential fund recipient will be required to declare existing conflicts of interest or that, to the best of their knowledge, there is no conflict of interest, including in relation to the examples above, that would impact on or prevent the potential funding recipient from proceeding with the project or any contractual arrangement it may enter into with the Australian Government.

Where a potential fund recipient subsequently identifies that an actual, apparent, or potential conflict of interest exists or might arise in relation to an application for funding or a tender, the potential funding recipient must inform the Department in writing immediately.

The Department will ensure that all members of Tender Assessment Panels under the Fund will be required to provide a statement detailing any relationship they may have with a tenderer(s). All panel members will be required to sign a Deed of Confidentiality-Conflict of Interest form.

3.2 Confidentiality and Protection of Personal Information

Each potential funding recipient/entity will be required to declare as part of its proposal, their ability to comply with the proposed contractual arrangement to be entered into with the Australian Government.

The Protection of Personal Information Clause requires any Funded entity to:

- comply with the *Privacy Act (1988)* ('the Privacy Act'), including the 11 Information Privacy Principles (IPPs), as if it were an agency under the Privacy Act, and the National Privacy Principles (NPPs);
- refrain from engaging in direct marketing (s 16F of the Privacy Act), to the extent that the NPP and/or s 16F apply to the Funded entity; and
- impose the same privacy obligations on any subcontractors it engages to assist with the Project.

The Confidentiality Clause in any subsequent contractual arrangement imposes obligations on the funded entity with respect to special categories of information collected, created or held under the Agreement. The funded entity is required to seek the Australian Government's consent in writing before disclosing Confidential Information.

The specific clauses governing the confidentiality provisions of any procurement or grant process under this Fund will be contained in the contract that will form part of any application or tender documentation available to potential funding recipients.

4 Funding Processes

Access to funding from the Fund will be available via a variety of means. There may be multiple targeted grant rounds or procurement processes conducted throughout the life of the Fund. The Department proposes to undertake the following to achieve the objectives and priorities for the fund:

4.1 Targeted grant rounds

Funding will be made available through targeted funding rounds from time to time to meet the objectives and priorities for the Fund. These grant rounds will be open to one or a small number of potential funding recipients based on the specialised requirements of the activity under consideration.

This targeted funding will primarily support activities contributing to national health protection capacity building, for example, the funding of specific laboratories with unique, specialist facilities and expertise.

4.2 Procurement

Funding will be made available through open, select or direct source procurement processes. All processes will be conducted in accordance with the requirements of the Commonwealth Procurement Guidelines.

4.3 One-off or unsolicited approaches

Entities wishing to seek funding may submit an unsolicited or one-off proposal to the Fund. These one-off or unsolicited proposals may be considered, at the Department's discretion:

when funds remain available following a competitive funding round; and/or

where the proposed activities will meet an urgent or emerging priority.

In the event that any one-off or unsolicited proposals are considered, they will be assessed individually against the aims, objectives and priorities for the Fund.

4.4 Fund Under expenditure:

Funding allocations will be monitored throughout the year with potential underspends identified and allocated to activities identified as being the most appropriate method of meeting the aims and objectives of the Fund. Applications identified as being able to meet the Fund aims and objectives, and not receiving funding through an open or targeted grants round may also be prioritised and short-listed for consideration should such underspends be identified.

Under expenditure may also be used to fund unsolicited proposals or one-off grants where such proposals will meet the objectives and priorities of the Fund.

From time to time, the Australian Government may direct additional or supplementary funding to services under the Fund. For example providing targeted services to areas where evidence shows that there is a need.

These Fund Guidelines will form part of the Approach to Market documentation and must be met in all circumstances where grant or procurement arrangements are entered into under the Fund.

In urgent or unforeseen circumstances the Minister or Departmental Delegate has the right to waive eligibility criteria.

4.5 Proposal assessment:

A range of activities will be funded under the Fund. Any procurement or grant process will have comprehensive documentation developed that will detail at a minimum the following:

- How the initiative is to meet objectives and priorities of the Fund as specified in Section 1 of this document
- Eligibility criteria – as specified in Section 2 of this document
- Assessment criteria – specifically relating to the activities to be funded
- Assessment process
- Funding available
- Timeline for funding
- Proposed contractual arrangements – as specified at Section 5 of this document
- Procedures for submitting a proposal
- Contact officer for potential funding recipients
- Fund Guidelines

A full suite of documentation will be provided with each grant or procurement process (excluding one-off or unsolicited proposals). Where possible a minimum of one month's notice will be given of any proposed funding process. Such notice including the broad objectives and priorities of the funding process, the level of funding available and the timeframe for funding will be published on the Department's internet site at www.health.gov.au

4.6 Decisions

Approval of funding

Following an appraisal of the proposal/s by the Fund Assessment Panel for that process, advice will be provided to the Funding Approver on the merits of the proposal/s. The final decision about the approval of funding will be made by the Minister for Health and Ageing or agency Chief Executive (including a Chief Executive's delegate).

The Funding Approver will consider whether the proposal will make an efficient, effective, ethical and economical use of Australian Government resources, as required by Commonwealth legislation, and whether any specific requirements will need to be imposed as a condition of funding.

Funding approval is at the discretion of the Funding Approver.

Advice to potential funding recipients

Potential funding recipients will be advised in writing of the outcome of their proposal. Letters to successful funding recipients will contain details of any specific conditions attached to the funding. Where required by Commonwealth Legislation funding approvals will be listed publicly for example, in accordance with the Commonwealth Grants Guidelines grant approvals will be listed on the Department's website and in the case of procurement activities contracts over the value of \$10,000 (GST inc) will be reported on Austender.

The Department will notify all unsuccessful applicants in writing.

Complaint handling

The Department's Procurement and Funding Complaints Handling Policy applies to complaints that arise in relation to a procurement or funding process. It covers events that occur between the time the request documentation is released publicly and the date of contract execution, regardless of when the actual complaint is made. The Department requires that all complaints relating to a funding process must be lodged in writing. Further details of the policy are available 'About Us' page on the Department's internet site (<http://www.health.gov.au>)

Any enquiries relating to decisions on funding under this Fund, should be directed to the Fund mailbox ohpflexiblefunds@health.gov.au

5 Conditions of Funding

5.1 Contracting arrangements

Successful funding recipients funded under the Fund will be required to enter into a contractual arrangement with the Australian Government (represented by the Department).

A copy of the proposed contractual arrangement will form part of any material that forms the basis of a grant or procurement process under this Fund. Copies of the Department's standard Funding Agreement/Contract for Services template is available as reference material at www.health.gov.au

5.2 Specific conditions

There may be specific conditions attached to the funding approval required as a result of the appraisal process or imposed by the Funding Approver. These will be identified in the offer of funding or during contract negotiations.

5.3 Payment arrangements

Payments will usually be made on achievement of agreed milestones.

Where payments are linked to the achievement of specific milestones, payments will only be made after the Department is satisfied that those milestones and associated obligations of the contractual arrangement have been met.

5.4 Reporting requirements

Funding recipients will be required to provide progress reports on the agreed milestones. These progress reports may in the case of grant arrangements include funding acquittal requirements. The timing of progress reports will be negotiated and form part of the final contractual arrangement. The format and

framework for providing progress reports will take into account the size, cost and relative risks of the initiative/ project being undertaken by the funding recipient.

5.5 Monitoring

The funded entity will be required to actively manage the delivery of the project. The Department will monitor progress against the funding agreement or contract through assessment of progress reports and by conducting site visits as necessary.

5.6 Evaluation

The Department will periodically evaluate how funded activities have contributed to the objectives of the Fund. Funding recipients may be required to provide information to assist in this evaluation for a period of time, as stipulated in the funding agreement or contract, after funding has been provided.

6 Glossary of Key Terms

FUND ASSESSMENT PANEL – means a panel formed by the Department that may include expert scientific, legal, financial and probity advisors, to assess grant or procurement proposals

FUNDING APPROVER – means the office or individual identified in any funding documentation as the decision maker in any process under the Fund.

FLEXIBLE FUND/THE FUND – means the HEALTH PROTECTION FLEXIBLE FUND as described in Section 1 of these Guidelines

FUNDED ENTITY/FUNDING RECIPIENT – means any entity that has been successful in securing a procurement contract or grant under the Flexible Fund.

POTENTIAL FUNDING RECIPIENT – means any entity that applies for a grant or procurement arrangement under the Flexible Fund

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ATTACHMENT A

Priority

Prevention – To prevent, eliminate or reduce the occurrence or severity of communicable disease outbreaks, environmental and chemical threats, and acts of terrorism, and/or reduce the severity of unavoidable natural disasters and other emergencies by minimising the health impacts on the Australian community.

Potential Activities

This objective will be achieved but not limited to supporting activities that:

- Minimise the introduction, establishment or spread of communicable diseases
- Minimise mortality, morbidity and burden on the health system
- Increase public awareness by producing targeted communication materials to advise the Australian community on how to minimise exposure to risks and/or seek appropriate assistance
- Strengthen relevant workforce training and capacity building
- Assist/provide support to states and territories and international counterparts

Broad assessment requirements

The first level of assessment for any funding arrangement will be to determine the broad capacity of the potential funding recipient and the proposed project to meet the purpose, scope, objectives and outcomes of the Fund.

The second level of assessment will be consideration of the proposal against the parameters of the above objective which may include, but is not limited to:

- The relevance and effectiveness of the proposal to prevent eliminate or reduce the occurrence or severity of health protection threats and/or minimise the health impacts on the Australian community
- Cost effectiveness, taking into account the proposals Project Plan and Budget Projections
- Demonstration that the benefits of the project are sustainable (where relevant)
- Demonstration of partnerships with other organisations/sectors/agencies to maximise the outcomes of the project
- Details of the potential funding recipient's capacity to implement the project within the proposed timeframe.

Priority

Preparedness – To continue to build and strengthen Australia’s preparedness to prevent and minimise the impact from events such as communicable disease outbreaks, natural disasters, environmental and chemical threats and acts of terrorism.

Potential Activities

This objective will be achieved through but not limited to supporting activities that:

- Identify and assess key health threats and risks
- Develop, maintain and/or implement systems, strategies and plans to enable rapid and effective national response to health emergencies
- Store and maintain stocks of pharmaceuticals and non pharmaceuticals
- Enhance capacity and capability of key health emergency response infrastructure such as public health laboratories and health response personnel
- Facilitate conduct of and participation in exercises to test Australia’s response capacity and capability
- Engage with the domestic and international community on preparedness strategies

Broad assessment requirements

The first level of assessment for any funding arrangement will be to determine the broad capacity of the potential funding recipient and the proposed project to meet the purpose, scope, objectives and outcomes of the Fund.

The second level of assessment will be consideration of the proposal against the parameters of the above objective which may include, but is not limited to:

- The relevance and effectiveness of the proposal to build and strengthen Australia’s preparedness to prevent and minimise the impact of health protection threats
- Cost effectiveness, taking into account the proposals Project Plan and Budget Projections
- Demonstration that the benefits of the project are sustainable (where relevant)
- Demonstration of partnerships with other organisations/sectors/agencies to maximise the outcomes of the project
- Details of the potential funding recipient’s capacity to implement the project within the proposed timeframe.

Priority

Response – Australia has response systems in place to ensure an effective, coordinated and timely response to health emergencies.

Potential Activities:

This objective will be achieved through but not limited to supporting activities that:

- Implement systems, strategies and/or plans as part of national response to health emergencies
- Strengthen national health response systems
- Effectively integrate, use and act in synergy with the systems and capabilities of other Australian Government emergency response agencies and systems such as the Attorney-General's Emergency Management Australia, the border agencies and the Centrelink program of the Department of Human Services to facilitate effective response

Broad Assessment Requirements:

The first level of assessment for any funding arrangement will be to determine the broad capacity of the potential funding recipient and the proposed project to meet the purpose, scope, objectives and outcomes of the Fund.

The second level of assessment will be consideration of the proposal against the parameters of the above objective which may include, but is not limited to:

- The relevance and effectiveness of the proposal to contribute to an effective, coordinated and timely response to health emergencies
- Cost effectiveness, taking into account the proposals Project Plan and Budget Projections
- Demonstration that the benefits of the project are sustainable (where relevant);
- Demonstration of partnerships with other organisations/sectors/agencies to maximise the outcomes of the project
- Details of the potential funding recipient's capacity to implement the project within the proposed timeframe.