

Service Agreement (Part B) - Specific Terms of Funding for Meals on Wheels Home and Community Care Services

The Department of Communities (Home and Community Care, Meals on Wheels) Service Agreement comprises three sections:

- **Service Agreement (Part A) - Standard Terms of Funding**
- **Service Agreement (Part B) - Specific Terms of Funding**
- **Service Agreement (Part C) - Specifications**

The Service Agreement (Part B) - Specific Terms of Funding was developed to incorporate conditions which apply in situationally specific circumstances e.g. funding under particular program domains.

Service Agreement (Part B) - Specific Terms of Funding for Meals on Wheels Home and Community Care Services

Meals on Wheels

For Agreements entered into from 1 July 2010*

Version 1.0

Home and Community Care Act (1985)

* or from 9 April 2010 for some program areas

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Background

- A. The Home and Community Care (HACC) program is a jointly funded initiative between the Australian Government and States and Territories, implemented in accordance with the *Home and Community Care Act 1985*, the *Review Agreement for the Home and Community Care Program 2007* and the *National Program Guidelines for the Home and Community Care Program 2007* (“HACC Program”).
- B. The HACC Program is a central element of the Australian Government’s aged care policy, providing community care services to frail aged and younger people with disabilities, and their carers. The HACC Program provides funding for services that support people who live at home and whose capacity for independent living is at risk, or who are at risk of premature or inappropriate admission to long term residential care.
- C. State and Territory Governments are the primary point of contact for HACC Service Providers and consumers, and are responsible for the HACC Program management, including the approval and funding of individual HACC services in their regions.
- D. You, acting through the Service Providers listed in Schedule 1 of the Service Agreement (Part C) - Specifications, have been approved to receive HACC Program funding, by the Minister, on the terms and conditions as stated in a Service Agreement.
- E. New funding arrangements for the HACC program are to be developed between the Australian Government and the State to take effect from 1 July 2011. These new arrangements may require this Service Agreement to be terminated and a new agreement may be offered to You, to reflect these arrangements.

1. Conditions of Funding

- (a) It is an obligation under the Service Agreement that due recognition is required of You, as a HACC funded organisation and that You sign the HACC Logo sub licence agreement in Schedule 4 of the Service Agreement (Part C) - Specifications.
- (b) It is an obligation under the Service Agreement that You sign the agreement relating to tax invoices in Schedule 6 of the Service Agreement (Part C) - Specifications.
- (c) You must contact Us to discuss media opportunities, including the writing of articles and materials for distribution to the media.
- (d) If You intend to publish any Funded Material then You must obtain Our written approval prior to publication. When seeking approval, You must clearly outline the intended audience and the purpose of the Funded Material.
- (e) You must ensure that any advertisement or press release relating to HACC funded Services, includes the words: “HACC is a joint Australian Government-State funded program”; and this acknowledgment must also appear in Your annual report.

2. Payment details

- (a) The Funding paid to You, as outlined in the Service Agreement (Part C) – Specifications will be a Meal Subsidy paid per Meal delivered to HACC eligible Clients.
- (b) The Funding shall be payable subject to receipt of the Performance Report and will be subject to appropriation and confirmation of the State Government budget.
- (c) Where Funding is provided under an Australian Government / State Agreement then the Funding is provided subject to the confirmation of Australian Government funding. The parties acknowledge that the Australian Government funding is being reviewed effective 1 July 2011 and

the review may result in a change to the way that Funding is provided.

- (d) The Funding will be paid to You by an electronic deposit of funds into Your nominated account, in accordance with the details contained in Schedule 7 of the Service Agreement (Part C) – Specifications.
- (e) The parties agree that clause 10.4 of the Service Agreement (Part A) - Standard Terms of Funding relating to Recipient Created Tax Invoices does not apply. Instead the terms of the agreement contained in Schedule 6 of the Service Agreement (Part C) – Specifications, apply to the Service Agreement.
- (f) Where clause 2(e) does not apply the organisation agrees to provide Us with a valid taxation invoice for release of the Funding.

3. Funded outputs, performance measurement and reporting

- (a) The delivery of Meals to HACC eligible Clients is a demand-based service. The number of Meals is an estimate used for determining the advance payment and for planning purposes.
- (b) The projected number of Meals may be adjusted by Us based on the Performance Report or as requested by You.
- (c) You must:
 - (i) provide the Services in accordance with the Food Standards Code and all applicable Commonwealth, State and Local Government laws and regulations;
 - (ii) provide the Services across the full geographic area described in Schedule 2A of the Service Agreement (Part C) – Specifications, for the Term, unless written consent has been provided by Us;
 - (iii) deliver Meals to Clients outside the geographic area described in Schedule 2A of the Service Agreement (Part C) - Specifications where there is no alternative HACC funded service provider available to immediately provide Meals. Where other alternative HACC funded services providers are immediately available the written consent from Us is required for organisation to expand the geographic boundaries of the service;
 - (iv) implement any general quality improvement processes and practices which may be determined from time to time in respect of the HACC Program.
- (d) You must provide to Us Performance Reports for each of the Service Providers in accordance with the Service Agreement (Part C) - Specifications.
- (e) The HACC Program will annually reconcile payment made to Meals on Wheels services and actual number of Meals delivered. Department of Communities will make additional payments as required based on the approved subsidy rate or recall surplus funds through a tax invoice.
- (f) If You fail to comply with any of the provisions of the Service Agreement then We may, at our absolute discretion, first give You a notice to remedy the failure. If you do not remedy the failure to Our satisfaction within 15 Business Days from the date on which the notice is given, We may take further action under the Terms of the Service Agreement.

4. Financial statements

- (a) You must provide Us with Your Annual Financial Return and the following documents by 30 September of each year:
 - (i) an annual audited statement of income and expenditure reporting all items relating to the delivery of the Services;

- (ii) a balance sheet or extracts from the balance sheet which disclose details of Assets and liabilities pertaining to the Funding (if the Service Agreement specifies the format of this balance sheet You will deliver the required information to Us in that format).
- (b) Your audited statements of income and expenditure, balance sheets or extracts from the balance sheet must be certified by an independent qualified accountant who has had no involvement in the preparation of these statements or accounts of Your organisation, is not an employee or a member of Your organisation and who is:
 - (i) registered as a company auditor or a public accountant under Queensland law;
 - (ii) a member of the Institute of Chartered Accountants in Australia or the Australian Society of Certified Practising Accountants; or
 - (iii) a person whose accounting qualifications are accepted by Us.
- (c) If You are a local government or a tertiary institution, You may give Us, instead of the requirements set out in clause 4(a), a statement set out in the format of the Financial Acquittal Report specifying the Funding Details and certified by the chief accounting officer or equivalent.

5. National HACCC Minimum Data Set

You must provide the Minimum Data Set (MDS) as set out in Schedule 2C (Special Conditions) of the Service Agreement, to the Australian Government at the times and in the format required by the Australian Government. Upon request, You must provide a copy of the Minimum Data Set, at the times and in the format required by the Australian Government, to Us.

6. Service assessment

- (a) You must ensure that the Meals are provided in accordance with all of the objectives and standards contained in the HACCC National Service Standards.
- (b) You acknowledge that an independent agency appointed by Us will review all HACCC Program services against the National Service Standards.
- (c) At least once during each three year term, the independent agency will review the Services provided by each of the Service Providers to determine the extent to which the Service Provider is complying with the National Service Standards.
- (d) You must:
 - (i) co-operate fully with the independent agency in respect of the review;
 - (ii) implement any quality improvement action plan which may result from a review of the Services;
 - (iii) if requested by Us, provide a copy of the review report to Us within twenty-one (21) days of receipt of that request.

7. Assets

- (a) You must not sell, lease, mortgage, encumber, dispose of, give away or destroy any HACCC Funded Property or Assets without prior written consent from Us.
- (b) If the Property or Assets are disposed of, destroyed or no longer used for HACCC purposes, You must repay the amount equivalent to the Value of the Property or facility or Asset at the date of the event to Us.

- (c) You grant Us or our nominee an irrevocable option to purchase the Assets for \$1 within 30 days after the completion date or termination of the Service Agreement.
- (d) If We exercise the option pursuant to clause 7(c) You must, within seven (7) days after receipt of the relevant documents, sign all necessary documents to effect the transfer of ownership of the Assets to Us.
- (e) We shall pay the costs of preparation of the necessary documents to effect the transfer of ownership of the Assets to Us, including stamp duty (if any) and registration fees (if any).
- (f) You irrevocably appoint the Chief Executive to be Our attorney for the purpose of signing any documents necessary to transfer ownership of the Assets to Us. We shall not exercise this power unless You have failed to comply with clause 7(c).
- (g) If We have entered into a separate agreement for the provision of capital funding with You which relates to the Services, a breach by You of that separate agreement shall be deemed to be a breach of the Service Agreement and We may immediately exercise any one or more of the rights set out in the Service Agreement.

8. Insurance and Indemnity

The organisation must take out and maintain (with a reputable insurer) for the term of the Service Agreement the following insurances:

- (a) property insurance policy in respect of loss, destruction or damage caused by You to Our Property, in the course of or in connection with the Services;
- (b) insurance under the *WorkCover Queensland Act 1996* to cover workers, eligible persons, employed by You;
- (c) comprehensive insurance for vehicles;
- (d) building and contents insurance
- (e) public liability insurance for not less than \$10 million arising from any one event: and
- (f) volunteers' insurance,

9. Definitions and Interpretation

“Annual Financial Return” means the financial reporting requirements as set out in Schedule 5 of the Service Agreement (Part C) – Specifications;

“Assets” includes plant, furniture, computing hardware, vehicles, white goods, kitchen items, photocopiers and other equipment acquired with HACC Funding for the provision of the Services;

“Clients” has the same meaning as Service User as defined in the Service Agreement (Part A) – Standard Terms of Funding;

“Food Standards Code” means the Australian New Zealand Food Standards Code as defined in section 3 of the *Australian New Zealand Food Authority Act 1991*;

“Meal/s” means meals which are prepared and delivered to the Client. It does not include meals prepared in the Client's home. It is important to count separately the meals provided to a client at home, and the meals provided at a Centre (or other setting).

“Meal Subsidy” means the amount, with supplementation, paid through the HACC Program for each Meal prepared and delivered to Clients in their own homes;

“Minimum Data Set” means the data required by the Australian Government from HACC Program

Service Providers, in the form prescribed by the Australian Government;

“National Service Standards” means the standards for the provision of HACC Program services prescribed by the Australian Government (as amended by the Australian Government from time to time), which have been provided to You;

“Performance Report” means the report as set out in the form of the template in Schedule 3 of the Service Agreement (Part C) – Specifications;

“Property” means any land and any building constructed or modified with HACC Funding that is used for or in connection with the provision of the Services;

“Service Provider” means a service provider listed in Schedule 1 of the Service Agreement (Part C) - Specifications; and

“Service Users” has the same meaning as defined in the Service Agreement (Part A) – Standard Terms of Funding.

“Value” for an asset means the depreciated value of the Asset or the sale price, whichever is the greater and for Property means the amount of the HACC Funding provided to You;