

HSQF Quality Audit Financial Contributions

Frequently asked questions (FAQ)

V3 August 2019

The Queensland Government requires organisations delivering services in-scope of certification under the Human Services Quality Framework (HSQF) to be independently audited for compliance with the Human Services Quality Standards.

Audits are conducted by certification bodies which set their fees and charges according to commercial rates. After organisations choose and contract a certification body to complete their audit, they pay the certification body directly for the cost of the audit.

Please note: the information contained in this factsheet is relevant to organisations delivering services funded by the Department of Child Safety, Youth and Women (DCSYW) and the Department of Communities, Disability Services and Seniors (DCDSS) only. It does not apply to services funded by Queensland Health.

As a transitional arrangement for organisations delivering services funded DCSYW and DCDSS, the Queensland Government provides eligible organisations with one-off financial contributions towards the costs of finalised audits. In future, DCSYW and DCDSS funded organisations will be expected to meet quality compliance and audit costs within their allocated funding. Further information about the implementation of this new approach will be provided to impacted organisations.

Who is eligible for a financial contribution?

- Organisations delivering existing¹ services funded by the DCSYW and/or DCDSS.
- Organisations delivering child protection placement services that are required to hold a Child Safety Licence and are funded under Child Related Costs Placement and Support (CRC PAS).
- Organisations that are required to achieve certification under another approved alternative quality system in order to demonstrate compliance with HSQF such as Disability Advocacy services and peak organisations certified under ISO 9001.

Who is ineligible for a financial contribution?

- Organisations delivering new or recommissioned services procured by the DCDSS and/or DCSYW through a Request for Quote or Tender Specification since 1 September 2014 which stated that the organisation is responsible for meeting all costs associated with achieving and maintaining HSQF certification for in-scope service types. Organisations are responsible for meeting all HSQF costs for these new or recommissioned services/outlets².
- Organisations that already hold existing certification under another quality system for another purpose.
- Organisations that are required to demonstrate compliance with the HSQF through a self-assessment only.
- As a general rule, organisations that declare unspent funds in their Directors Certification or have had declared unspent funds recovered, will be ineligible, subject to final assessment by the Queensland Government. Organisations should note that the costs associated with

¹ Existing services are defined as funded services that have not been procured by DCSYW and/or DCDSS through a Request for Quote or Tender Specification since 1 September 2014.

² Note that if these organisations are also delivering existing funded services that have not been procured by the DCSYW and/or DCDSS through a Request for Quote or Tender Specification since 1 September 2014, organisations will be eligible for a proportional financial contribution from the Queensland Government towards the costs of audits for the existing services.



HSQF compliance, including audit costs, are an eligible cost item under departmental service agreements and should be met or budgeted for before unspent funds are declared.

How is the financial contribution calculated and what does it include?

The financial contribution is based on an approved benchmarked costing methodology which was informed by consultations with service providers and auditing bodies. It recognises key cost factors such as:

- type and duration of the audit
- number of auditors, auditor daily rates and travel and accommodation costs
- registration and other accreditation fees
- audit sampling and report writing requirements
- organisational structure and the number, type and location of services audited.

The methodology establishes a base contribution rate which is tailored to each organisation and based on the duration of the audit (number of days) and type of audit undertaken (certification or maintenance).

Table 1 below provides examples of the **indicative minimum** base contributions for audits of between 1 and 20 service sites. These contributions are calculated based on services delivered in one region only.

Additional loadings apply for organisations operating across multiple regions, as outlined below.

Adjustments to calculated amounts or proportional financial contributions may be made when organisations are delivering some existing and some new or recommissioned services (procured through a Request for Quote or Tender Specification since 1 September 2014, as outlined in eligibility/ineligibility information above). The Queensland Government may also adjust the calculated amount, including loadings, based on other information such as invoiced cost of audit.

The Queensland Government does not meet the costs of any follow-up audits to close out non-conformities or major non-conformities.

Table 1: Indicative minimum base financial contributions for quality audits

Total number of service sites included in the audit	Base certification audit contribution payment (excluding GST)*	Base maintenance audit contribution payment (excluding GST)*
1	\$4800	\$3200
2	\$6400	\$3200
3	\$7100	\$4800
5	\$8600	\$4800
10	\$11600	\$5200
15	\$14900	\$5200
20	\$19800	\$7700

*Base rates are inclusive of an organisation's head office location

Additional contributions/loadings

The following additional contributions/loadings are added to base contributions, where applicable:

- **initial certification audit Stage 1 contribution** for eligible organisations going through HSQF certification for the first time, an additional amount of up to \$3000 may be added to the base certification audit contribution calculated for the organisation (see Table 1 above). This is to assist new organisations with the costs of the Stage 1 component of the initial HSQF certification audit.

- **regional loading for travel costs** applies for audits of outlets/sites operating outside of South-East Queensland. This loading provides a contribution towards the costs of flights/transport, accommodation, meals and incidentals for auditors. The contribution is based on approved government allowances (*Directive 9/11 Domestic Travelling and Relieving Expenses*), with flights from Brisbane to the main city within the region to be visited.
- **remoteness loading** organisations may be eligible for an additional loading of \$2,400 (excluding GST) for outlets audited which fall into one of the Accessibility/Remoteness Index of Australia (ARIA) categories of *Remote (4)* and *Very Remote (5)*.
- **specific requirements loading** a loading of up to \$2,400 may be applied for organisations delivering child protection placement services required to hold a Child Safety License in recognition of additional report writing requirements. Organisations that require interpreter services to enable clients to participate in the audit process may also be eligible for a loading of up to \$2400, where applicable.

Processes and timeframes for the payment of financial contributions

When audit reports are finalised, certification bodies provide a copy to the Queensland Government's HSQF team.

Following receipt of each audit report, the financial contribution is calculated and payments are progressed for approval in batches approximately every three months. Organisations do not need to apply for the financial contribution or submit their invoice to the Queensland Government.

Where organisations are funded under multiple service streams or departments (DCSYW and DCDSS), the financial contribution may be paid in separate amounts for each service stream.

Organisations should note that there will be a period of time between when the audit cost is met by the organisation and when a financial contribution is approved and paid by the Queensland Government.

Further information on the benchmarked audit cost methodology and financial contribution payment process is available from the HSQF team on 1800 034 022 or hsqf@communities.qld.gov.au.