

**Agreement**

**between**

**THE COMMONWEALTH OF AUSTRALIA**

**and**

**THE STATES AND TERRITORIES OF AUSTRALIA**

**in relation to  
Disability Services**

**For additional copies, contact:**

Director  
Commonwealth/State Relations Section  
Office of Disability  
Commonwealth Department of Family and  
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# Commonwealth State/Territory Disability Agreement

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## Third Commonwealth State/Territory Disability Agreement

### Preamble

This Commonwealth State/Territory Disability Agreement is a document of both practical and symbolic importance. It provides a framework that will help guide and strengthen the relationship between Commonwealth, State and Territory Governments in working together, and with others, to make a positive difference in the lives of people with disabilities.

The Preamble to this Agreement has been developed jointly by the National Disability Administrators and National Disability Advisory Council (with local level input from State Disability Advisory Bodies) and describes the shared vision and core beliefs that underpin the Commonwealth State/Territory Disability Agreement and its national framework.

The Agreement affirms the partnership between the Commonwealth, State and Territory Governments in the pursuit of a just and inclusive society. It recognises that both levels of Government fulfill complementary roles in the development and delivery of public policy and services, and that both have a pivotal role in promoting the rights, equality of opportunity, citizenship and dignity of people with disabilities.

The Agreement is based on the premise that communities are enriched by the inclusion of people with disabilities and that positive assumptions about the gifts and capacities of people with disabilities, including those with high support needs, are fundamental to their experience of a good life and to the development and delivery of policy, programs and services.

Commonwealth, State and Territory Governments, as parties to this Agreement, seek to work cooperatively to build inclusive communities where people with disabilities, their families and carers are valued and are equal participants in all aspects of life.

In the pursuit of this vision, Commonwealth, State and Territory Governments recognise that people with disabilities have rights equal with other members of the Australian community, and should be enabled to exercise their rights or be accorded these rights. This is based on consultation with the sector and recognises that some people do not have the capacity to exercise their rights.

As such, the spirit of this Agreement encompasses the Principles and Objectives outlined in the Disability Services Act 1986 (Commonwealth), Disability Discrimination Act 1992 (Commonwealth) and complementary State and Territory legislation. The rights of people with disabilities under the United Nations Declaration of Rights of Disabled Persons are reaffirmed.

Commonwealth, State and Territory Governments acknowledge that the objectives identified in the United Nations Decade of Disabled Persons (1983-1992) are valid and will require continued action under this Agreement.

Commonwealth, State and Territory Governments commit to upholding the intentions of international and national conventions and standards in respect of removing all forms of discrimination and supporting equal rights and opportunities to all individuals throughout their life.

This Agreement seeks to respond to individual needs as they vary across stages and areas of life, and acknowledges the heightened vulnerability of people with high support needs, indigenous Australians with a disability and people from culturally and linguistically diverse backgrounds with a disability.

Continuing collaboration and partnership with individuals, families, carers, community agencies, service providers, advisory and advocacy bodies and local government is essential to the achievement of these outcomes.

The parties recognise the pivotal role of families, carers and others in close relationship to people with disabilities and will work in partnership with them to achieve full and active participation of people with disabilities in all aspects of community life.

The parties further acknowledge the significant value and role of the non-government disability sector and the need to strengthen and support it in the pursuit of high quality specialist disability services.

This Agreement promotes the development of innovative solutions to address the broad scope and range of supports and services needed in order to create conditions where people with disabilities and their families and carers thrive, and their opportunities are enhanced. This includes recognising and supporting leadership at the community level.

In pursuing the visions expressed above, Commonwealth, State and Territory Governments have agreed on the incremental implementation of five strategic policy priorities. These are to:

1. strengthen access to generic services for people with disabilities;
2. strengthen across government linkages;
3. strengthen individuals, families and carers;
4. improve long-term strategies to respond to and manage demand for specialist disability services;
5. improve accountability, performance reporting and quality.

## AGREEMENT

### COMMONWEALTH STATE/TERRITORY DISABILITY AGREEMENT

AN AGREEMENT made the                    day of                    2003 between

- (1) the COMMONWEALTH OF AUSTRALIA (“the Commonwealth”) of the one part, and
- (2) those States and Territories (“the States/Territories”) which have executed this Agreement of the other part.

#### RECITALS

- A. The Commonwealth and the States/Territories wish to make this Agreement, the purposes of which are to –
- (a) provide for a national framework outlining the objective and policy priorities for services for people with disabilities across Australia to be progressed over the life of the Agreement, and outline a means for measuring and publicising the progress of Governments towards achieving this national framework (clauses 4 and 7);
  - (b) outline the respective and collective roles and responsibilities of the Commonwealth and States/Territories in the planning, policy setting and management of specialist disability services (clause 6);
  - (c) provide for accountability to funders in respect of funds contributed by one Government which are expended by another Government (clause 7);
  - (d) establish the financial arrangements for making funds available for the provision of specialist disability services (clause 8);
  - (e) define the persons eligible for services under this Agreement and acknowledge they may require services provided outside the Agreement (clause 5);
  - (f) provide for a nationally consistent approach to quality across specialist disability services (clause 9); and

(g) provide for funds to address key national and strategic research, development and innovation priorities (clause 10).

- B. The Commonwealth and individual States/Territories may make Bilateral Agreements. The purposes of Bilateral Agreements are to -
- (a) provide for action between the Commonwealth and individual States/Territories on strategic disability issues within the broad national framework;
  - (b) provide a continuing procedure for negotiation and agreement between the Commonwealth and individual States/Territories on the transfer of responsibility for particular services from one level of government to another; and
  - (c) bring into the scope of this Agreement those specialist disability services which are mutually agreed between the Commonwealth and individual States/Territories to be important to the national framework for disability services, but which are not yet included in this Agreement.

NOW IT IS AGREED as follows:

## **PART 1 - OPERATION OF AGREEMENT**

- 1(1) This Agreement shall come into force and effect between the Commonwealth and a State/Territory on the date when the Commonwealth and that State/Territory have executed this Agreement.
- 1(2) This Agreement shall {unless it is terminated earlier, in respect of a party giving notice of termination, in accordance with clause 1(3)} terminate in respect of all parties on 30 June 2007.
- 1(3) Any party to this Agreement may terminate its participation in the Agreement by notice in writing to all other parties. In order to minimise disruption to services and consumers, the notice of termination shall not take effect until the end of the month that is no less than six complete months after the date of the notice of termination.

- 1(4) If the previous Agreement continues in force between the Commonwealth and a State/Territory immediately prior to the date when the Commonwealth and a State/Territory have executed this Agreement, the previous Agreement shall terminate at the same time as this Agreement comes into force and effect (in accordance with clause 1(1)) with respect to the Commonwealth and that State/Territory.
- 1(5) The provisions of this Agreement may be varied at any time by a further agreement in writing provided that this Agreement will only be varied with the consent of the Commonwealth Minister and those State/Territory Ministers who are parties to this Agreement.

## **PART 2 - OPERATION OF BILATERAL AGREEMENTS**

- 2(1) A Bilateral Agreement made between the Commonwealth and a State/Territory shall come into effect in respect of those parties on a date to be specified in the Bilateral Agreement and shall continue for the term to be specified in the Bilateral Agreement.
- 2(2) A Bilateral Agreement shall (unless otherwise agreed between the parties to the Bilateral Agreement) contain the same terms and conditions as those which are contained in this Agreement.
- 2(3) The Commonwealth agrees that within one month of it entering into a Bilateral Agreement with a State/Territory, or varying or extending a Bilateral Agreement with a State/Territory, it will supply a copy of that Bilateral Agreement to all other States/Territories that are parties to this Agreement.

## **PART 3 – INTERPRETATION**

- 3(1) In this Agreement, unless the contrary intention appears or the context otherwise requires -

“accommodation support services” means services which provide accommodation to people with disabilities, and services which provide the support needed to enable a person with a disability to remain in their existing accommodation;

“advocacy services” means services designed to enable people with disabilities to increase the control they have over their lives through the representation of their interests and views in the community;

“agreement” and “Agreement”, “this agreement” and “this Agreement” means this agreement, as varied and/or extended from time to time by the parties in accordance with this Agreement;

“bilateral agreement” and “Bilateral Agreement” means an agreement made between the Commonwealth and a State/Territory, in accordance with Part 2 as varied and/or extended from time to time by the parties in accordance with this Agreement;

“Carer/s” means someone, such as a family member, friend or neighbour, who has been identified as providing regular and sustained care and assistance to the person requiring support;

“Commonwealth Department” means a Commonwealth Department or agency which has been nominated by the Commonwealth Minister to represent the Commonwealth under this Agreement;

“Commonwealth Minister” means the Minister of State of the Commonwealth for the time being responsible for the administration of this Agreement for the Commonwealth and includes the Commonwealth Minister or other member of the Federal Executive Council, acting on behalf of, or for the time being acting for such Minister;

“community access services” means services and programs designed to provide opportunities for people with disabilities to gain and use their abilities to enjoy their full potential for social independence;

“community support services” means services which provide the support needed for a person with a disability to live in a non institutional setting;

“consumers” means people with disabilities;

“CSTDA” means this Agreement;

“CSTDA implementation plan” means the national strategies and work program that will progressively address the policy priorities of the CSTDA outlined in Part 4;

“CSTDA performance reporting framework” means the requirements for the reporting of financial and performance information for specialist disability services covered under the Agreement as set out in Schedules A and B;

“Disability Administrators” means the Heads of Departments of the Commonwealth and the States/Territories for the time being responsible for the administration of this Agreement;

“Disability Advisory Bodies” means the groups that advise their respective Minister on issues that affect people with disabilities, their families and carers;

“employment services” means services which provide employment assistance to people with disabilities to assist them obtain and/or retain employment;

“financial assistance” means financial assistance provided pursuant to this Agreement;

“financial year” means a period of 12 calendar months commencing on 1 July;

“generic services” means those services which are not specifically directed at persons with disabilities;

“information services” means services that provide accessible information to people with disabilities, their carers, families and related professionals. This service type provides specific information about disabilities, specific and generic services, equipment and promotes the development of community awareness;

“national framework” means the objective and policy priorities for services for people with disabilities outlined in clause 4 and agreed by the parties to this Agreement from time to time, and to be progressed over the life of this agreement;

“National Standards” means the National Standards for Disability Services endorsed by the (then) Council of Social Welfare Ministers in June 1993 and as amended from time to time;

“NDAC” means the National Disability Advisory Council;

“people with disabilities” means people with disabilities attributable to an intellectual, psychiatric, sensory, physical or neurological impairment or acquired brain injury (or some combination of these) which is likely to be permanent and results in substantially reduced capacity in at least one of the following:

- self care/management
- mobility
- communication

requiring significant ongoing and/or long-term episodic support and which manifests itself before the age of 65;

“people with high support needs” refers to people with a profound core activity restriction who require personal assistance or supervision with self care, mobility or verbal communication on a continual basis;

“policy priorities” means broad national policy and strategic directions agreed by Disability Ministers in August 2001, to be incrementally implemented over the term of the Agreement and which complement the primary focus of the Agreement on the administration and funding of specialist disability services;

“previous Agreement” means the Agreement made in writing between the Commonwealth and the States/Territories which executed that Agreement (commonly called 'the Commonwealth/State Disability Agreement') which commenced on the date determined in accordance with clause 1(1) of that Agreement and which will terminate on the date determined in accordance with clause 1(2) of that Agreement;

“print disability services” means services that produce alternative formats of communication for people who by reason of their disabilities are unable to access information provided in a print medium;

“research and development” means research with respect to the provision of services funded under this Agreement and the achievement of the national framework, under this Agreement for people with disabilities;

“respite services” means services that specifically provide a short-term and time-limited break for families and other voluntary care givers of people with disabilities, to assist in supporting and maintaining the primary care giving relationship, while providing a positive experience for the person with a disability;

“specialist disability services” means services or initiatives specially designed from time to time to meet the needs of people with disabilities;

“State/Territory Department” means a State/Territory Department or agency which has been nominated by a State/Territory Minister to represent the State/Territory Government under this Agreement;

“State Minister” means the Minister of State of a State/Territory for the time being responsible for the administration of this Agreement and includes the Minister of a State/Territory or other member of the State Executive Council acting on behalf of, or for the time being acting for such Minister;

“State/Territory Ministers” means the Ministers of the States/Territories.

- 3(2) In this Agreement, unless the contrary intention appears -
- (a) a reference to a Part or to a clause is a reference to a Part or to a clause of this Agreement, as the case may be;
  - (b) a reference to a subclause is, unless otherwise indicated, a reference to the relevant subclause of the clause in which the reference appears;
  - (c) a reference to “a State/Territory”, “each State/Territory” or “the State/Territory” is a reference to a State of Australia, the Northern Territory or the Australian Capital Territory respectively that is at the relevant time a party to this Agreement;
  - (d) a reference to “the States/Territories” is a reference to the States of Australia, the Northern Territory of Australia and the Australian Capital Territory that are at the relevant time parties to this Agreement;
  - (e) words in the singular number include the plural and vice versa;

- (f) words referring to individuals include bodies corporate; and
- (g) the schedules form part of this Agreement. In the event of any conflict between the terms and conditions contained in the clauses of this Agreement and any part of a schedule, the terms and conditions of the clauses take precedence.

3(3) The parties acknowledge the definitions of the various types of specialist disability services to which this Agreement relates are taken from the Commonwealth State/Territory Disability Agreement Minimum Data Set Data Guide 2001 (“the data set”), and that:

- (a) the definitions used in this Agreement are to be interpreted consistently with the data set; and
- (b) any changes to the definitions of the terms in the data set are to be taken to have been made to the definitions of those terms in this Agreement.

## **PART 4 - NATIONAL FRAMEWORK**

### **Objective**

4(1) The Commonwealth and the States/Territories affirm their commitment to the principles and objectives of the Disability Services Act 1986 (Commonwealth) and their respective State or Territory legislation, and agree on the following objective to underpin the national framework for services for people with disabilities -

The Commonwealth and the States/Territories strive to enhance the quality of life experienced by people with disabilities through assisting them to live as valued and participating members of the community.

### **Policy Priorities**

4(2) In working towards this objective the Commonwealth and the States/Territories recognise the heightened vulnerability of people with disabilities, including those with high support needs, and the essential and complementary nature of specialist and generic services, including those which lie outside this Agreement, and aim to:

- a) strengthen access to generic services for people with disabilities by:
- fostering a whole-of-government approach to maximise the opportunity for people with disabilities to participate socially and economically in the community; and
  - explicitly recognising access to, and the role of, generic services as a complement to the focus on the funding and delivery of specialist disability services and supports.
- b) strengthen across government linkages by:
- positively influencing the service system within and external to the Agreement to ensure that access to appropriate services is supported and strengthened; and
  - improving collaboration, co-ordination across programs and governments to ensure that people with disabilities have fair opportunities to access and transition between services at all stages of their lives.
- c) strengthen individuals, families and carers by:
- developing supports and services based on individual needs and outcomes, which enhance the well-being, contribution, capacity and inclusion of individuals, families and carers; and
  - increasing their opportunities to influence the development and implementation of supports and service at all levels.
- d) improve long-term strategies to respond to and manage demand for specialist disability services through:
- a strategic approach to broad national and local/jurisdictional planning to underpin the determination and allocation of equitable funding to respond to unmet demand, growth in demand and cost increases; and
  - approaches which enhance prevention and early intervention outcomes, the effective co-ordination across service systems and clear and transparent decision making.
- e) improve accountability, performance reporting and quality by:
- improving accountability and transparency for specialist disability services funded under this Agreement; and
  - incrementally developing, implementing and reporting progress on the aforementioned national policy priorities.

## **PART 5 – ELIGIBILITY AND SERVICES FUNDED UNDER THIS AGREEMENT**

### **Eligibility for services funded under this Agreement**

5(1) The parties agree that they will ensure that specialist disability services funded under this Agreement and any Bilateral Agreements are provided only to benefit people with disabilities.

5(2) The Commonwealth and the States/Territories acknowledge that, at the time of signing this Agreement the specialist disability services to which this Agreement relates are -

- (a) accommodation support;
- (b) community support;
- (c) community access;
- (d) respite;
- (e) employment;
- (f) advocacy;
- (g) information; and
- (h) print disability.

5(3) The Commonwealth and the States/Territories may agree from time to time that other specialist disability services are included within this Agreement.

5(4) The Commonwealth and the States/Territories acknowledge that this Agreement and any Bilateral Agreements do not apply to the provision of -

- (a) disability services and activities provided under the Veterans' Entitlements Act 1986 (Commonwealth); and
- (b) services with a specialist clinical focus, regardless of whether those services are provided to people eligible to receive services under this Agreement.

### **Other services outside this Agreement**

5 (5) The Commonwealth and States/Territories:

- (a) acknowledge that non-specialist services needed by people with a disability are provided by other sectors which lie outside this Agreement; and

- (b) agree to encourage and facilitate inter-sectoral action to promote access to services for people with a disability.

## **PART 6 - RESPONSIBILITIES OF THE PARTIES**

### **Shared Commonwealth and State/Territory Roles**

- 6(1) The Commonwealth and the States/Territories agree that all parties to this Agreement (each State/Territory in respect of that State/Territory only) have continuing responsibilities under this Agreement for:
- (a) funding specialist services for people with disabilities;
  - (b) participating in and funding research and development;
  - (c) transparency and accountability to Parliaments, funders and citizens concerning the equitable, efficient and effective provision of specialist disability services;
  - (d) planning, policy setting and management of advocacy services, print disability services and information services, unless otherwise agreed between the Commonwealth and individual States/Territories in Bilateral Agreements;
  - (e) encouraging reform of the existing service system and supporting innovation and quality in service provision;
  - (f) working towards the achievement of the objective and policy priorities which underpin the national framework; and
  - (g) ensuring that Commonwealth and State/Territory programs having an impact on people with disabilities are complementary.

### **Role of the Commonwealth**

- 6(2) The Commonwealth and the States/Territories agree that the Commonwealth shall exercise a national leadership and coordination role in collaboration with the States/Territories in respect of research and development, in accordance with the arrangements outlined in clause 10.

- 6(3) Subject to this Agreement, the Commonwealth and the States/Territories agree that the Commonwealth has responsibility for the planning, policy setting and management of specialist disability employment services. In fulfilling this responsibility, the Commonwealth agrees to ensure that -
- (a) employment services are provided in accordance with the objectives of the national framework and are responsive to local needs and circumstances;
  - (b) appropriate linkage is encouraged between specialist disability employment services and other specialist or generic service systems important to the quality of life of people with disabilities;
  - (c) agreed national quality standards are upheld and monitored; and
  - (d) monitoring and accountability requirements under this Agreement are met.
- 6 (4) With respect to the Disability Advisory Bodies:
- (a) the Commonwealth will make available up to \$314,000 in funding contributions per annum to State and Territory Disability Advisory Bodies that include people with a disability and their families and carers, which meet on a regular basis and which consult regularly with the National Disability Advisory Council (NDAC);
  - (b) Commonwealth funding contributions will be subject to an annual acquittal within three (3) months of the end of the respective financial year; and
  - (c) where contributions provided by the Commonwealth are not expended in the respective financial year, these funds will be taken into consideration when determining the amount to be made available in the next financial year.

### **Role of the States/Territories**

- 6(5) Subject to this Agreement, the Commonwealth and the States/Territories agree that the States/Territories have responsibility for the planning, policy setting and management of specialist disability services except employment services. In fulfilling this responsibility, the States/Territories agree to ensure that -

- (a) services are provided in accordance with the objectives of the national framework and are responsive to local needs and circumstances;
- (b) appropriate linkage is encouraged between specialist disability services and other specialist or generic service systems important to the quality of life of people with disabilities;
- (c) agreed national quality standards are upheld and monitored; and
- (d) monitoring and accountability requirements under this Agreement are met.

### **Role of Disability Administrators**

6(6) The Commonwealth and the States/Territories acknowledge that the Disability Administrators of the Commonwealth and the States/Territories will be responsible for -

- (a) advising Ministers on matters pertaining to the services covered by this Agreement and the national framework;
- (b) providing a forum for discussing issues of national significance;
- (c) overseeing the development and implementation of a CSTDA performance reporting framework, a national research and development work plan and a CSTDA implementation plan;
- (d) promoting the exchange of information concerning best practice in specialist disability services;
- (e) reporting in a publicly accessible format on progress and achievements in relation to the national framework;
- (f) providing a forum for the discussion and resolution of issues requiring cross-jurisdictional management, including the implementation of the agreed national portability protocols and, as a priority, improving the interface between specialist disability employment services and State/Territory administered specialist disability services;

- (g) providing a forum for the exchange of views on priorities and directions for research and development to be provided to the Commonwealth in fulfilment of its responsibilities under clause 6(2).

### **Role of Disability Advisory Bodies**

6 (7) The Commonwealth and the States/Territories acknowledge that the Disability Advisory Bodies of the Commonwealth and States/Territories will:

- (a) provide a conduit for people with disabilities, their families, carers and other people with knowledge of, or experience in, matters relevant to the disability sector to provide advice regarding the planning, delivery and evaluation of services;
- (b) advise their respective Ministers on progress against meeting the CSTDA objectives and priorities from the point of view of the disability sector;
- (c) provide a mechanism for the provision of advice on directions for research and development under this Agreement to their jurisdictions;
- (d) consult with the National Disability Advisory Council (NDAC) on matters of broader national significance that impact on people with disabilities, their families and carers.

## **PART 7 - ACCOUNTABILITY AND TRANSPARENCY REQUIREMENTS**

### **Financial Information**

- 7(1) The parties to this Agreement will make available audited expenditure figures under this Agreement, as per the format outlined in Schedule A2.
- 7(2) Total expenditure under this Agreement by the Commonwealth and each State/Territory in each financial year (the Commonwealth both in aggregate and in respect of each State/Territory) shall be separately identified in the Annual Reports of the agencies responsible for administering this Agreement.

### **Performance Reporting**

- 7(3) The parties to this Agreement will report against the CSTDA Performance Reporting Framework as described in Schedule A and against any additional indicators in separate Bilateral Agreements, all of which will be made available to inform national reporting processes.
- 7(4) Governments will work together to improve reporting and to enhance data linked to the CSTDA Performance Reporting Framework. Any new national performance information will be based on data sources and collections endorsed by all parties to the Agreement.

### **Timing of Reports**

- 7(5) All information required as outlined in the schedules, will be made available to all parties to the Agreement no later than six (6) months after the conclusion of the financial year in which the expenditure occurred.
- 7(6) Where the reports required under Schedule A are not received by the Commonwealth by the due date or are incomplete, and reasonable attempts to seek resolution by relevant officials and Ministers have failed, the Commonwealth will not be obliged to make further funds available to the State(s) and/or Territory(ies) concerned until the requirements have been completed.

## **PART 8 - FINANCIAL ARRANGEMENTS**

- 8(1) Subject to the appropriation of funds by their respective Parliaments, the Commonwealth and the States/Territories agree to make funds available for the provision of specialist disability services as set out in Schedule A1 to this Agreement.
- 8 (2) The Commonwealth and the States/Territories agree that funds made available under this Agreement may only be utilised for the provision of specialist disability services covered under this or any Bilateral Agreement. The level of funds available for each of the five years of the Agreement, as set out in Schedule A1, will be updated annually by the parties.

- 8(3) Commonwealth funds to be contributed to States/Territories will be made available to the States/Territories fortnightly in advance.
- 8(4) All funds will be acquitted in a manner consistent with the requirements of clause 7(1).
- 8(5) Where funds provided by the Commonwealth under this Agreement to a State or Territory in a particular financial year are not fully expended in that year, the remaining funds may be carried over for use by the State or Territory in the next financial year, subject to a report on the variance and an action plan being negotiated. If reasonable attempts to seek resolution of the issues fail via relevant officials and Ministers, the amount which has not been fully expended may be deducted from the quantum of funds allocated for the following year.

#### **Additional Funding Requirements**

- 8(6) The Commonwealth's contribution to States and Territories outlined in Schedule A1 represents the total amount required to meet its responsibilities for the management and administration of all specialist disability services other than employment services. It is a global amount to be allocated on the basis of need, without reference to any past associations of particular services under former funding arrangements.
- 8(7) Ministers may negotiate additional funding to progress policy priorities and systemic and service reforms within the scope of the Agreement, including the transfer of services and or recipients from one jurisdiction to another. The Commonwealth and the States/Territories may agree bilaterally on the contribution of funds, new or existing, for this purpose.

#### **Demand Adjustment and Service Reform**

- 8(8) Commonwealth, States and Territories acknowledge demand management requires regular annual growth in funding levels to continually improve the level and quality of services and the efficiency of systems for specialist disability services. The States/Territories will provide annual funding growth at a level agreed between each State/Territory and the Commonwealth over the life of the Agreement for services they are directly responsible for administering under the Agreement

- 8(9) The Commonwealth and the States/Territories acknowledge the significant need for specialist disability services and will develop plans to address demand management issues and encourage early intervention and crisis prevention and report on progress annually under the performance reporting framework.

### **Indexation for Cost Variations**

- 8(10) Indexation on Commonwealth funds to be transferred to States will be calculated each year by reference to the Commonwealth indexation parameter called Wage Cost Index 2 and announced in the Commonwealth Budget. This parameter is composed of 90% measure of the change in wage costs (safety net adjustment) and 10% measure of changes in non-wage costs (Treasury Measure of Underlying Inflation).
- 8(11) Once the level of Commonwealth indexation to apply to a particular year has been calculated as outlined in clause 8(10), there will be no subsequent adjustment of that level of indexation during the course of the year.
- 8(12) The parties will report the aggregate amount of indexation and supplementation provided to meet cost increases in service provision. These figures will be updated annually in Schedule A.

## **PART 9 - QUALITY STANDARDS**

- 9 (1) In the implementation of the objective of this Agreement, the Commonwealth and the States/Territories agree that:
- (a) the core quality standards applicable to all services receiving funding under this Agreement shall be the National Standards;
  - (b) nothing in this section shall limit their capacity to require services for which they are responsible for administering under this Agreement to adhere to quality standards and requirements over and above the National Standards;
  - (c) they will work towards continuous improvement in services provided under this Agreement and in quality assurance processes and systems including service review processes;

- (d) they work together to pursue opportunities for national consistency in quality assurance processes wherever this is agreed to be appropriate.

## **PART 10 - RESEARCH AND DEVELOPMENT**

10(1) The Commonwealth and the States/Territories agree that -

- (a) the States/Territories will jointly contribute, on a pro-rata basis in proportion to their respective populations at the time of contribution, \$200,000 per annum to the national research and development fund; and
- (b) the Commonwealth will match the contributions made by each State/Territory and manage the fund on behalf of the Commonwealth and the States/Territories.

10(2) On the advice of their respective Disability Administrators, the Commonwealth and the States/Territories may agree to increase their financial contribution to research and development during the term of this Agreement.

10(3) Any uncommitted funds held by the Commonwealth on the expiration or earlier termination of this Agreement shall be repaid to the contributors which made the funds available.

10(4) A work plan linked to the CSTDA implementation plan shall be developed by Disability Administrators and endorsed by Ministers, to address key national and strategic research, development and innovation priorities.

10 (5)The work plan will include the investigation of the need for new services, or enhancement of existing services, as well as innovations in planning and service delivery and the measurement of outcomes for people with disabilities using these services.

## **PART 11 - REPRESENTATION AND COMMUNICATIONS**

- 11(1) The Commonwealth shall, subject to subclause 11(2), be represented for the purposes of this Agreement by the Department of Family and Community Services and the Commonwealth Minister shall notify State/Territory Ministers of the address of that Department and of any change at any time of that address.
- 11(2) If the administration of this Agreement for the Commonwealth is allocated to a Minister other than the Commonwealth Minister, the Commonwealth shall be represented by the Department administered by that other Minister and that other Minister shall notify the State/Territory Ministers of the address of that Department.
- 11(3) The State/Territory shall be represented for the purposes of this Agreement by the Department or such other agency of the State/Territory as the State/Territory Minister shall nominate (“Agency”) and the State/Territory Minister shall notify the Commonwealth Minister (or where clause 11(2) applies, the other Minister) of the address of that Department or Agency and of any change at any time of the Department or Agency or of the address.
- 11(4) A notice or other communication under or in connection with this Agreement shall be duly given if it is in writing signed by or on behalf of the head of the Department or Agency or other authorised officer by which it is given and addressed to or delivered at the address of the Department or Agency to which it is directed.
- 11(5) For the purpose of this clause writing includes a facsimile or email message and the address for such a message shall be the facsimile or email address of the receiving Department or Agency.
- 11(6) A notice or other communication is taken to have been given under this clause when it is received in the appropriate form by the Department or Agency to which it is directed.

**EXECUTED** as an agreement.

**SIGNED** by **THE HONOURABLE A VANSTONE,**  
**MINISTER OF STATE FOR FAMILY AND**  
**COMMUNITY SERVICES** for and on behalf  
of the **Commonwealth of Australia** in the presence of:

**SIGNED** by **THE HONOURABLE**  
**MINISTER FOR**  
for and on behalf of the **State of**  
in the presence of:

# COMMONWEALTH STATE /TERRITORY DISABILITY AGREEMENT (CSTDA)

## PERFORMANCE REPORTING FRAMEWORK

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### Schedules A and B

#### Performance Reporting Framework Principles and Guidelines CSTDA (2002 – 2007)

##### General Principles

- The CSTDA reporting framework is built on a partnership between all parties to this agreement, agreeing to implement annual reporting of financial and performance information for specialist disability services covered under the Agreement.
- As part of the expanded National Framework of the CSTDA the Commonwealth and the States/Territories have all agreed to:
  - work collectively and individually to develop and implement strategies to progress national policy priorities and focus areas;
  - develop a CSTDA Implementation Plan that will be an evolving document with strategies, actions, priorities and milestones being further developed over time;
  - contribute jurisdiction-specific information to National Disability Administrators to enable progress, learning and best practice to be shared and reported on; and
  - contribute to an annual progress report against the CSTDA Implementation Plan which will:
    - be a tool for national work-program management;
    - provide a mechanism for reporting achievements and progress to Ministers and the public.
- The reports provided in accordance with Schedules A and B will provide the basis for a publicly available report to demonstrate achievements in the delivery of specialist disability services and national progress in implementing agreed national policy priorities.
- Jurisdictional progress and reporting will vary according to local priorities, conditions and availability of data.
- All jurisdictions will report in a manner that fosters transparency and public accountability.
- The reporting of CSTDA performance information is dependent on the timeframe and success of the implementation of the redeveloped CSTDA Minimum Data Set (MDS) within jurisdictions.

- Once nationally available, it is expected that CSTDA MDS information will be comparable across all jurisdictions and years. However, further refinement and improved returns will improve the reliability of data over time.
- Jurisdictional budgetary timeframes, processes, outcomes and constraints will be acknowledged within CSTDA performance reporting.
- Reporting will make maximum use of (and enhance) existing mechanisms. It is not the intention that Schedule B should increase reporting requirements - rather that jurisdictions make available information which could / would be collected to inform Annual Reports, Strategic Plans and/or other local constituency requirements.

## **General Guidelines and Requirements**

### **Data Sources**

- Performance information will be based on existing data (sources) and collections relevant to the administration of the CSTDA specialist service system, only expanding/renewing where endorsed by all parties to the Agreement.
- Subject to successful implementation of the redeveloped MDS, data will be collected nationally from 1 January 2003. Data collection and elements will be reviewed and refined annually. If jurisdictions encounter difficulties in implementing the MDS, this will not lead to penalties or sanctions.
- All data will comply with the definitions and counting rules used in the Data Guide: Data Items and Definitions of the Minimum Data Set Guide of the Australian Institute of Health and Welfare (AIHW). Each party to the Agreement is responsible for quality and timeliness of data.

### **Reporting and Timeframes**

- All CSTDA Performance Reporting Framework Schedule A reports are to be made available nationally no later than 6 months after the conclusion of the financial year being reported on.
- All parties to this agreement will represent agreed CSTDA financial information within their agencies annual reports, in accordance with Clause 7(2).
- CSTDA Schedule A reports are to be provided in accordance with the format and content of A1, A2, A3 and Schedule B attached here.
- Where Schedule A and B information is not available within agreed timeframes, the national public report will state "information not available at time of print".

### **Process**

- An external 'production' agency, to be selected and managed by the National Disability Administrators, will produce the national public report incorporating summary performance information and summary progress against the achievement of national priorities.
- An external data agency, selected and managed by National Disability Administrators, will review, validate and analyse performance data based on the CSTDA redeveloped MDS.

**Specific guidelines relating to the preparation of schedules are attached and included with the relevant proformas.**

## Performance Reporting Framework Timeline

<b>TIMING</b>	<b>CSTDA Funding Contribution</b>	<b>Financial Acquittal</b>	<b>CSTDA Performance Report</b>	<b>Implementation Plan Progress Report</b>
<i>Report</i>	<i>Schedule A 1</i>	<i>Schedule A 2</i>	<i>Schedule A 3</i>	<i>Schedule B</i>
<b>31 October<sup>1</sup></b>			Submit MDS data items to external data agency	
<b>31 December</b>	Submit and exchange CSTDA funding updates	Submit and exchange CSTDA financial acquittal	Submit and exchange CSTDA performance reports	Submit and exchange (via NDA) CSTDA Implementation Plan Progress reports
<b>January - March</b>	<ul style="list-style-type: none"> <li>• National Disability Administrators CSTDA Report to Ministers prepared</li> <li>• leading to release as CSTDA National Public Report</li> </ul>			

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<sup>1</sup> pending further advice and confirmation from AIHW

### CSTDA Funding Contribution

#### **Guidelines for providing and updating funding contributions**

This is a continuation of CSTDA 2 practice as a base for continuous improvement.

- Contributions made by the Commonwealth and State or Territory Governments should include CSTDA base funding contributions and funding contributions made under any Bilateral Agreement.
- Contributions in forward years may be indicative only. Indicative contributions in forward years should include estimates of indexation, unless otherwise annotated.
- The table should be updated annually after each jurisdiction's Budget process to reflect the actual expenditure in the previous year and incorporate indexation and other funding adjustments. Each jurisdiction should report updated figures to the NDA Secretariat by 31 December each year.
- Contributions reported by States/Territories will not include funds provided by the Commonwealth, funds paid in a previous year and carried forward, proceeds from the sale of assets under this Agreement or any income used from the use of these assets.

Subject to the appropriation of funds by the Commonwealth Parliament and the Parliaments of the respective State or Territory, the following amounts will be made available for each jurisdiction:

	Contributing Government	2002-03 \$	2003-04 \$	2004-05 \$	2005-06 \$	2006-07 \$	TOTAL \$
<b>NSW</b>	State	730,358,881	810,448,778	710,400,000	736,600,000	812,100,000	3,799,907,659
	Commonwealth	165,938,584	191,956,174	188,858,000	197,704,000	204,018,000	948,474,758
	<i>Total - NSW</i>	896,297,465	1,002,404,952	899,258,000	934,304,000	1,016,118,000	4,748,382,417
<b>VIC</b>	State	731,758,427	791,638,205	805,000,000	774,036,000	791,065,000	3,893,497,632
	Commonwealth	120,200,973	124,074,394	129,023,000	135,441,000	139,890,000	648,629,367
	<i>Total - VIC</i>	851,959,400	915,712,599	934,023,000	909,477,000	930,955,000	4,542,126,999
<b>QLD</b>	State	238,548,271	276,466,893	341,937,000	360,858,000	400,705,000	1,618,515,164
	Commonwealth	102,221,729	105,386,107	109,459,000	114,298,000	117,853,000	549,217,836
	<i>Total - QLD</i>	340,770,000	381,853,000	451,396,000	475,156,000	518,558,000	2,167,733,000
<b>SA</b>	State	124,421,702	137,178,086	137,105,000	144,152,000	151,560,000	694,416,788
	Commonwealth	59,567,535	61,282,520	63,521,000	65,725,000	67,570,000	317,666,055
	<i>Total - SA</i>	183,989,237	198,460,606	200,626,000	209,877,000	219,130,000	1,012,082,843
<b>WA</b>	State	199,701,780	215,873,552	224,133,000	241,962,000	260,289,000	1,141,959,332
	Commonwealth	42,442,220	43,866,448	45,673,000	48,209,000	49,880,000	230,070,668
	<i>Total - WA</i>	242,144,000	259,740,000	269,806,000	290,171,000	310,169,000	1,372,030,000
<b>TAS</b>	State	59,432,453	63,572,851	67,808,000	77,500,000	79,900,000	348,213,304
	Commonwealth	18,543,358	19,082,812	19,785,000	20,498,000	21,082,000	98,991,170
	<i>Total - TAS</i>	77,975,811	82,655,663	87,593,000	97,998,000	100,982,000	447,204,474
<b>NT</b>	State	17,336,186	18,792,302	18,517,419	18,869,250	19,227,766	92,742,923
	Commonwealth	5,513,748	5,695,550	5,927,000	6,241,000	6,452,000	29,829,298
	<i>Total - NT</i>	22,849,934	24,487,852	24,444,419	25,110,250	25,679,766	122,572,221
<b>ACT</b>	State	39,853,753	44,580,548	46,934,000	50,165,000	51,465,000	232,998,301
	Commonwealth	7,376,247	7,623,024	7,936,000	8,373,000	8,662,000	39,970,271
	<i>Total - ACT</i>	47,230,000	52,203,572	54,870,000	58,538,000	60,127,000	272,968,572
<b>CWLTH</b>	Payments to States	521,804,394	558,967,029	570,183,000	596,489,000	615,408,000	2,862,851,423
	Employment & shared responsibilities	303,714,799	350,583,834	420,699,000	447,114,000	498,578,000	2,020,689,633
	<b>Total</b>	<b>825,519,193</b>	<b>909,550,863</b>	<b>990,882,000</b>	<b>1,043,603,000</b>	<b>1,113,986,000</b>	<b>4,883,541,056</b>
<b>TOTAL</b>	<b>State</b>	<b>2,141,411,453</b>	<b>2,358,551,215</b>	<b>2,351,834,419</b>	<b>2,404,142,250</b>	<b>2,566,311,766</b>	<b>11,822,251,103</b>
	<b>Commonwealth</b>	<b>825,519,193</b>	<b>909,550,863</b>	<b>990,882,000</b>	<b>1,043,603,000</b>	<b>1,113,986,000</b>	<b>4,883,541,056</b>
	<b>Total</b>	<b>2,966,930,646</b>	<b>3,268,102,078</b>	<b>3,342,716,419</b>	<b>3,447,745,250</b>	<b>3,680,297,766</b>	<b>16,705,792,159</b>

Notes:

1. **Figures for future years include expected indexation**
2. **This schedule will be updated annually by all parties by 31 December each year**
3. **At each annual update, figures for the previous financial year will be converted to actual expenditure.**
4. **Governments may provide additional funds.**

## Schedule A 2

### Financial Acquittal

#### Guidelines for Preparing Financial Information

##### 1. Expenditure

CSTDA expenditure information should be based on the *Financial Data Collection Manual Version 2.2* (Review of Commonwealth/State Service Provision - Disability Services Working Group, July 2001), or subsequent updates, that is:

- Expenditure should be reported on an accrual basis;
- Expenditure should be categorized into accommodation support, community support, community access, respite, employment (Commonwealth only), other support services, and administration, consistent with the Manual's definitions of these categories;
- Administration expenditure should be based on central and regional office administration and policy and program support costs relating to disability services only. It should not include administration expenditure of Government or non-Government disability service providers (this should be included in service-related expenditure); and
- Expenditure should include non-cash items, including superannuation, workers compensation, payroll tax, long service leave entitlements and depreciation.

Where CSTDA expenditure information cannot be provided on a comparable basis across jurisdictions (and is not consistent with the *Financial Data Collection Manual Version 2.2* or subsequent updates), then jurisdictions should work together to ensure that expenditure information is comparable by the conclusion of this Agreement.

##### 2. Revenue

State/Territory and Commonwealth contributions should be reported on an accrual basis. Where State/Territory appropriations are made on a cash basis, then State/Territory contributions should be adjusted to include non-cash items (such as depreciation) to arrive at an approximate accrual amount. State/Territory and Commonwealth contributions should include indexation and other additional funding.

Each jurisdiction should report the amount of indexation funding provided separately, as outlined in clause 8.12 of the Agreement.

Over the life of this agreement jurisdictions will work to separate expenditure on “Advocacy and Information“ from the general Community Access expenditure.

‘Other revenue’ should be reported in a manner consistent with the *Financial Data Collection Manual Version 2.2*, that is:

- should include client contributions to Government service providers, and client contributions to non-Government service providers that are in turn paid to Government; and
- should not include proceeds from the sale of fixed assets, client contributions or other revenue (for example, from fundraising) that is retained by non-Government service providers to offset the cost of service provision.

### **3. Auditing**

CSTDA financial information is to be based on audited financial statements of the respective agencies. Note that CSTDA financial information does not need to be audited separately.

### **4. Reporting**

CSTDA financial acquittals should be forwarded to the Commonwealth within six months of the end of the financial year.

*FOR THE JURISDICTION OF [ ]  
FOR THE FINANCIAL YEAR ENDED 30 JUNE [200x]*

**Revenue**

**(\$000s)**

Commonwealth Contribution:

    CSTDA Base Funding

    Bilateral Funding

    Indexation funding adjustment

State/Territory Contribution:

    CSTDA Base Funding

    Bilateral Funding

    Indexation and supplementation adjustment

Funding carried forward (from previous years)

*Total Government*

Other Revenue

***Total Revenue***

\_\_\_\_\_  
\_\_\_\_\_

**Expenditure**

**(\$000s)**

Accommodation Support

Community Support

Community Access

Respite

Employment

Other Support Services

Administration

***Total Expenditure***

\_\_\_\_\_  
\_\_\_\_\_

*Surplus/Deficit*

***Certification***

I certify that::

- the revenue and expenditure outlined above represents a true and fair view of the financial position; and
- the funds were provided in accordance with the Agreement.

*[signed by Delegated Officer].....*

*[date].....*

### CSTDA MDS Performance Report

#### Guidelines for provision of CSTDA Performance data

- Total population and total target group population information is to be based on current available Australian Bureau of Statistics, *Disability, Ageing and Carers Survey Findings and Census Data*.
- Location will be defined by data on the rural and remote population derived by the AIHW for ABS statistical local area population estimates. Data for rural and remote consumers will be based on the postcode of the consumer.
- The required data items will be provided by all nine CSTDA jurisdictions to the 'external data agency' by 31 October each year<sup>2</sup> to enable review and analysis prior to national submission.
- The base line for data collection of the redeveloped CSTDA MDS at implementation is by reference / sampling methodology. Parties to the CSTDA are committed to working toward national 'whole of year' data collection over time.
- Schedule A3 is to be nationally exchanged (by all parties to this agreement) no later than 6 months after the conclusion of the financial year being reported on.
- This section will continue to be refined as work is advanced on the CSTDA MDS.

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<sup>2</sup> pending further advice and confirmation from AIHW

Service Type	Performance data
Accommodation Support	<p>Must include numbers of consumers vs numbers of services</p> <ul style="list-style-type: none"> <li>• <b>average cost per unit of service/accommodation support service type category</b></li> <li>• <b>average cost per service user/accommodation support service type category</b></li> <li>• <b>Proportion of total accommodation service users by:</b> <ul style="list-style-type: none"> <li>- <b>primary disability type</b></li> <li>- <b>location</b></li> <li>- <b>CALD</b></li> <li>- <b>ATSI</b></li> <li>- <b>age</b></li> </ul> </li> <li>• <b>Total accommodation support service user numbers / time by:</b> <ul style="list-style-type: none"> <li>- <b>proportion per 1000 of total jurisdiction population /location</b></li> <li>- <b>proportion of total jurisdictional target group population / location</b></li> </ul> </li> <li>• <b>proportion of accommodation support service users accessing community access services</b></li> <li>• <b>proportion of service users by accommodation support service type category / longitudinal comparison ( time)</b></li> </ul>

Service Type	Performance data
Community Support	<p>Must include numbers of consumers vs numbers of services</p> <ul style="list-style-type: none"> <li>• <b>average cost per unit of service</b></li> <li>• <b>average cost per service user</b></li> <li>• <b>Proportion of total community support service users by:</b> <ul style="list-style-type: none"> <li>- <b>primary disability type</b></li> <li>- <b>location</b></li> <li>- <b>CALD</b></li> <li>- <b>ATSI</b></li> <li>- <b>age</b></li> </ul> </li> <li>• <b>Total community support service user numbers /time by:</b> <ul style="list-style-type: none"> <li>- <b>proportion per 1000 of total jurisdiction population /location</b></li> <li>- <b>proportion of total jurisdictional target group population/location</b></li> </ul> </li> </ul>

Service Type	Performance data
Community Access	Must include numbers of consumers vs numbers of services

	<ul style="list-style-type: none"> <li>• average cost per unit of service</li> <li>• average cost per service user</li> <li>• Proportion of total community access service users by: <ul style="list-style-type: none"> <li>- primary disability type</li> <li>- location</li> <li>- CALD</li> <li>- ATSI</li> <li>- age</li> </ul> </li> <li>• Total community access service user numbers/time by: <ul style="list-style-type: none"> <li>- proportion per 1000 of total jurisdiction population /location</li> <li>- proportion of total jurisdictional target group population/location</li> </ul> </li> </ul>
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Service Type	Performance data
Respite	<p>Must include numbers of consumers vs numbers of services</p> <ul style="list-style-type: none"> <li>• average cost per unit of service</li> <li>• average cost per service user</li> <li>• Proportion of total respite service users by: <ul style="list-style-type: none"> <li>- primary disability type</li> <li>- location</li> <li>- CALD</li> <li>- ATSI</li> <li>- age</li> </ul> </li> <li>• Total respite service user numbers/time by: <ul style="list-style-type: none"> <li>- proportion per 1000 of total jurisdiction population /location</li> <li>- proportion of total jurisdictional target group population / location</li> </ul> </li> </ul>

Service Type	Performance data
Open Employment	<p>Must include numbers of consumers vs numbers of services</p> <ul style="list-style-type: none"> <li>• <b>average cost per unit of service</b></li> <li>• <b>average cost per service user</b></li> <li>• <b>Proportion of total employment service users by:</b> <ul style="list-style-type: none"> <li>- <b>primary disability type</b></li> <li>- <b>location</b></li> <li>- <b>CALD</b></li> <li>- <b>ATSI</b></li> <li>- <b>age</b></li> </ul> </li> <li>• <b>Total employment service user numbers/ time:</b> <ul style="list-style-type: none"> <li>- <b>proportion per 1000 of total jurisdiction population/location</b></li> <li>- <b>proportion of total jurisdictional target group population/location</b></li> </ul> </li> </ul>
Supported Employment	<p>Must include numbers of consumers vs numbers of services</p> <ul style="list-style-type: none"> <li>• <b>average cost per unit of service</b></li> <li>• <b>average cost per service user</b></li> <li>• <b>Proportion of total employment service users by:</b> <ul style="list-style-type: none"> <li>- <b>primary disability type</b></li> <li>- <b>location</b></li> <li>- <b>CALD</b></li> <li>- <b>ATSI</b></li> <li>- <b>age</b></li> </ul> </li> <li>• <b>Total employment service user numbers/ time by:</b> <ul style="list-style-type: none"> <li>- <b>proportion per 1000 of total jurisdiction population/location</b></li> <li>- <b>proportion of total jurisdictional target group population/location</b></li> </ul> </li> </ul>

## SCHEDULE B

- **Implementation Plan Progress Reporting**

- It is recognised by the Commonwealth, States and Territories that the nature, pace and range of actions implemented and reported on will vary according to local priorities and conditions.
- Schedule B Implementation Plan Progress Report represents the agreed format for reporting against individual policy priorities.
- Annual Schedule B reports should be exchanged (by all parties to this agreement) no later than 6 months after the conclusion of the financial year being reported on.

**Implementation Plan Progress Report**

**JURISDICTION Y for the Year 200x/x**

***Policy Priority X***

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**Implementation Plan Outcome Area:**

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**Description of Jurisdiction Initiative(s) (eg outline strategy / plan, program, reform, targets):**

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**Outcomes (eg progress, achievements, milestones, constraints, evaluation results, qualitative and quantitative information, best practice and innovation)**

**Implementation Plan**  
**Jurisdictional Activity**  
**Jurisdiction Learning**