



ACT Health

Office of the Director-General

Dr Emma Campbell
Chief Executive Officer
ACT Council of Social Service Inc
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Dear Dr Campbell

Funding certainty for ACT Health Directorate-funded community sector organisations

Thank you for your letter of 25 May 2020 about funding for the community sector organisations which provide health services to the ACT community and region.

I appreciate you raising this matter, as I understand that this is a time of great financial uncertainty for community sector organisations.

The majority of ACT Health Directorate (ACTHD) funding agreements with community sector organisations expire on 30 June 2022. A small number of agreements expire on 30 June 2020. The majority of these are in the process of being extended. ACTHD has been in contact with the organisations whose agreements expire in June this year about ongoing agreements.

Those agreements which are not being extended were developed for short term specific projects, such as a review, which have either been completed or are in the process of being completed.

As you are aware the annual indexation rate is usually announced after the ACT Budget is delivered. However, as the Budget will be delayed this year ACT Treasury has confirmed that the 2020-21 indexation rate for community organisations is 1.9 per cent. We will be providing Letters of Indexation as in previous years to all our funded organisations informing them of the 2020-21 funding amounts including indexation.

You also asked about payments under the Equal Remuneration Order (ERO). I can confirm that ACTHD has committed to paying ERO supplementation until the expiration of agreements in June 2022, except where funding agreements have already been re-negotiated or re-tendered to incorporate the effect of ERO increases into the wage costs of the agreement.

Once the supplementation amounts are confirmed by the ACT Government in mid July 2020, we will write to all non-government organisations to provide details of their ERO supplementation amounts and process the associated payment.

Following advice provided at the NGO Leadership Group meeting on 4 June 2020, an email has been sent to all organisations funded by the directorate advising that, as usually occurs, letters advising indexation and ERO amounts for 2020-21 will be sent at the end of June.

Thank you again for contacting me. I hope that I have been able to provide you with some certainty.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Kylie Jonasson', with a long horizontal flourish extending to the right.

Kylie Jonasson
Director-General

11 June 2020