



Australian Government

Department of Health

Flexible Fund Guidelines

**SUBSTANCE MISUSE PREVENTION AND SERVICE
IMPROVEMENT GRANTS FUND**

January 2014

Table of contents

1. Introduction.....	3
1.1 Fund objectives and priorities.....	3
1.2 Background.....	4
1.3 Fund scope and operating parameters.....	4
1.4 Roles and responsibilities.....	5
1.5 Fund Timeframe.....	6
1.6 Fund value.....	6
2. Eligibility.....	6
2.1 Who can access the Fund?	6
2.2 What is eligible for funding?	7
3. Probity.....	7
3.1 Conflict of interest	7
3.2 Confidentiality and Protection of Personal Information	8
4. Fund Application Processes	8
4.1 Access to funding.....	9
4.1.1 Open competitive grant rounds	9
4.1.2 Targeted grant rounds	9
4.1.3 Support for collaboration with states and territories	9
4.1.4 Procurement	9
4.2 Fund Underexpenditure.....	9
4.3 Application Processes	10
4.4 Decisions.....	10
5 Conditions of Funding	11
5.1 Contracting arrangements	11
5.2 Specific conditions.....	11
5.3 Payment arrangements	11
5.4 Reporting requirements.....	12
5.5 Monitoring	12
5.6 Evaluation	12
ATTACHMENT A: FUND PRIORITIES AND POTENTIAL ACTIVITIES.....	13
ATTACHMENT B: BROAD ASSESSMENT REQUIREMENTS.....	15

1. Introduction

The Substance Misuse Prevention and Service Improvement Grants Fund (the Fund) is an Australian Government initiative administered by the Department of Health (the Department) designed to assist organisations supporting prevention of substance misuse and other national activities under the National Drug Strategy.

These guidelines outline the overarching parameters under which the fund will operate long term. Individual grant processes will contain detailed guidance and requirements for specific funding opportunities.

The Government committed to establish 18 Flexible Funds as part of the 2011-12 Federal Budget. The Substance Misuse Prevention and Service Improvement Grants Fund is one of the 18 Funds that came into operation from 1 July 2011. It is expected that the first grant funding round under the new arrangements will be conducted in January 2012.

Indicative timeframes for the 2011-12 funding round is outlined in the table below:

Milestone	Anticipated Dates
Flexible Funds announced in 2011-12 Budget	10 May 2011
Fund Guidelines published	14 November 2011
Applications open	14 November 2011
Applications close	23 December 2011
Assessment and decision	6 March 2012
Transition arrangements and negotiations	30 March 2012
Funding commences	From 1 July 2012

Future grant funding round timeframes will be advertised annually on the [Department's website](#) at: www.health.gov.au. The Department's preferred contact point for the Fund is via [email](mailto:SMPSI@health.gov.au) at: SMPSI@health.gov.au

1.1 Fund objectives and priorities

The Fund's primary objective is to support prevention of substance misuse and to promote service improvement within the drug and alcohol and related sectors.

The Fund's specific priority areas are:

- Enhance the capacity of the sector to undertake drug and alcohol research which informs national substance misuse prevention and service improvement efforts;
- Provide an evidence base for drug and alcohol policy through targeted data collection particularly in areas of emerging national concern;
- Support the development of national policy through providing support for national advocacy and representation of the drug and alcohol sector;
- Prevent substance misuse and promote evidence based messages about alcohol and other drugs through credible and relevant information campaigns and early intervention activities; and
- Support other national substance misuse prevention activity arising from the National Drug Strategy.

Fund priorities may be adjusted from time to time to take into account evidence about the effectiveness, efficiency and appropriateness of Fund activities.

1.2 Background

The Fund was established on 1 July 2011 through the consolidation of a range of existing programs

The Fund was established as a result of a strategic review of the administrative arrangements in the Health portfolio commissioned by the Government in 2010. The review identified an opportunity to improve the management of existing programs by consolidating them into larger, flexible Funds. It is envisaged these funds will cut red tape for grant holders, increase flexibility, and more efficiently provide funding for the delivery of evidence based services to improve health outcomes in the community. Further information about the strategic review and the establishment of the flexible Funds is available on the [Department's website](http://www.health.gov.au) at: www.health.gov.au.

In the 2011 Budget, the Australian Government allocated \$86 million of funding over the next four years to the Substance Misuse Prevention and Service Improvement Grants Fund. The Fund consolidates the activities of seven existing programs, and will provide a larger, flexible funding pool for organisations supporting prevention of substance misuse through a variety of means that may include, annual grant funding rounds, unsolicited or one-off activity funding and procurement.

1.3 Fund scope and operating parameters

The scope of the funding is to support the objectives outlined in Section 1.1 of these guidelines. The Fund is intended to be flexible enough to continue to support the breadth of activities which are currently funded, but also respond to emerging priorities and issues.

The Government recognises the unique contribution of some activities in the development of an evidence base and the value of building capacity towards longer term objectives. The importance of existing accumulated investments will be one factor in determining allocation of future funding.

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

The funding committed to particular Fund priorities and the activities supported via these funds vary over time, to take into account:

- Availability of funding;
- Evidence of the effectiveness, efficiency and appropriateness of Fund activities; and
- Emerging challenges.

The Fund may give less priority to strategies and activities that are more relevant to other Flexible Funds or that are addressed in other ways by the Commonwealth, for example, through research activities funded by the National Health and Medical Research Council, investment in national partnerships or broader health reforms from other sources of funding.

1.4 Roles and responsibilities

Minister

The Minister for Health will have ultimate responsibility for setting and reviewing priorities for the Fund and the allocation of funding against these priorities. Where appropriate, the Minister may consult with other Ministers as required.

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 outcomes under the National Drug Strategy.

Department of Health

The Department will be responsible for the development and dissemination of all application documentation under the Fund and for ensuring that such documentation is in accordance with the Fund's aims and objectives. The Department will be responsible for notifying applicants of the outcomes of any funding arrangement process and will be responsible for responding to queries in relation to the application process, and for resolving any uncertainties that may arise in relation to application 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 applicants in any process under the Fund such as:

- Developing funding agreements or any alternative contractual arrangement;
- Monitoring the performance of projects 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; and
- Providing feedback to funded organisations on the overall project following the conclusion of activities.

Applicants

Entities applying for grants under the Fund are responsible for the development of their application. As part of any application process organisations submitting applications must ensure all information they provide is accurate.

The Department encourages entities to form consortia or partnerships to deliver activities under the Fund.

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, a member entity, or a newly created entity must be appointed as the lead that will enter into any subsequent contractual relationship with the Department. The lead entity must be identified in any application for funding and that application should identify all members of the proposed consortium.

Entities applying must be prepared to meet the costs associated with the development and lodgement of their application.

Funded Applicants

The funded applicant is responsible for the efficient and effective delivery of the service in accordance with the obligations contained in any funding agreement or contractual arrangement entered into under the Fund. Successful applicants are also responsible for:

- Ensuring they meet the obligations of the funding agreement or other contractual arrangements;
- 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;
- Identifying and documenting risks and the appropriate control strategies;
- Reporting on project performance and expenditure in accordance with contractual obligations; and
- Assisting with evaluation activities as necessary.

1.5 Fund Timeframe

The Fund is an ongoing initiative from 1 July 2011. Timeframes for specific activities under the priorities may vary depending upon the grant process and the expected outcomes of the individual activities. Timeframes for activities associated with the grant processes will be clearly specified in the application package for that process.

1.6 Fund value

The total value of funds available under the flexible Fund, as announced in the 2011 Budget, is \$86.031 million over the four years ending 30 June 2015. This amount includes funding that has been committed to the existing activities that were consolidated into the Fund.

The Department will review priorities under the Fund on an annual basis and provide advice to the Minister on emerging needs, to allow for the adjustment of the funding allocation against priorities.

2. Eligibility

2.1 Who can access the Fund?

Applicants from a wide range of non-government and government organisations are encouraged to apply. Applicants may be able to apply for funding from more than one Flexible Fund, and are also encouraged to apply to the Department for other, non-Fund activities. Applicants are not required to have had a prior funding relationship established with the Department, but must be a legal entity to be eligible for funding, for example:

- Incorporated Associations (incorporated under State/Territory legislation, commonly have 'Association' or 'Incorporated' or 'Inc' in their legal name);
- Incorporated Cooperatives (also incorporated under State/Territory legislation, commonly have "Cooperative" in their legal name);
- Companies (incorporated under the Corporations Act 2001 – may be not-for-profit or for-profit proprietary company (limited by shares or by guarantee) or public companies);

- 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);
- Organisations established through a specific piece of Commonwealth or State/Territory legislation (many public benevolent institutions, churches, universities, unions etc);
- Partnerships;
- Trustees on behalf of a Trust;
- State/Territory or Local Governments; or
- where there is no suitable alternative, an individual or – individuals either jointly and separately.

Should a grant process have restricted eligibility requirements, this will clearly be specified in the application package for that process.

2.2 What is eligible for funding?

To be considered for funding, applications must propose to undertake activities that meet the aims, objectives and priorities for the Fund, and comply with the terms of the application documentation.

Matters such as:

- project activities/items that will be considered eligible;
- any funding caps (minimum and/or maximum limits);
- any restrictions on start/end dates for activity, for example all projects must be completed within the stated Financial Year/s;
- any restrictions around whether funding will be provided only for new or additional work; and
- any restrictions on when funding must be expended by, for example, all funding will be available from [insert date] and must be expended by [insert date],
- will be included in any application documentation, as required.

3. Probity

The Australian Government is committed to ensuring that the process for providing funding under the Substance Misuse Prevention and Service Improvement Grants Fund is transparent and in accordance with published Fund Guidelines. Individual 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 require. Amended Fund Guidelines will be published on the Department's website in advance of any grants process.

3.1 Conflict of interest

A conflict of interest may exist, for example, if the applicant or any of its personnel:

- Has a relationship (whether professional, commercial or personal) with a party who is able to influence the application 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 applicant 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 Substance Misuse Prevention and Service Improvement Grants Fund.

Each applicant will be required to declare as part of the application process, 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 applicant from proceeding with the project or any contractual arrangements it may enter into with the Australian Government.

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

The Department will ensure that all members of Assessment Panels under the Fund will be required to provide a statement detailing any relationship they may have with an applicant/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 applicant will be required to declare as part of their application, their ability to comply with the proposed contractual arrangement to be entered into with the Australian Government.

- The Protection of Personal Information Clause requires the Funded organisation 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 organisation; 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 organisation with respect to special categories of information collected, created or held under the Agreement. The funded organisation is required to seek the Commonwealth's consent in writing before disclosing Confidential Information.

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

4. Fund Application Processes

4.1 Access to funding

Access to funding from the Substance Misuse Prevention and Service Improvement Grants Fund will be available via a variety of means. It is envisaged that the Department will conduct at least one funding process per calendar year for the Fund. Potential applicants can contact the Fund through SMPSI@health.gov.au.

Entities wishing to apply for funding will need to demonstrate (but not limited to) the following:

- Identified need;
- Relevance to current government policies and priorities;
- Value for money; and
- Capacity to deliver quality outcomes.

The Department may undertake any of the following funding processes to achieve the aims, objectives and priorities for the Fund:

4.1.1 Open competitive grant rounds

An open grant round is a competitive funding round which opens and closes to applications on nominated dates, with eligible applications being assessed against the selection criteria set down for the initiative and then prioritised against competing, eligible applications for the available funding.

4.1.2 Targeted grant rounds

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

4.1.3 Support for collaboration with states and territories

Funding may be used for the provision of support for arrangements in collaboration with states and territories (for example AHMAC or sub-committee activities).

4.1.4 Procurement

Funds appropriated for the purpose of the Fund may also be used for the procurement of work directly related to the purpose of the Fund e.g. Program Evaluation. Such procurements will be undertaken in accordance with the requirements of the Commonwealth Procurement Rules and will be for purposes that are consistent with the objectives and priorities of the Fund. Procurement processes will be conducted independently of any grant process.

4.2 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.

4.3 Application Processes

These Fund Guidelines will form part of the application 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 the Departmental Delegate has the right to waive eligibility criteria.

A range of activities will be funded under the Fund. Each funding process will have comprehensive Invitation to Apply documentation developed that will detail at a minimum the following:

- General Information;
- How the initiative meets the aims, objectives and priorities of the Fund;
- Eligibility criteria;
- Assessment criteria – specifically relating to the activities being funded;
- Assessment process;
- Funding available;
- Timeline for funding;
- Proposed contractual arrangements;
- Procedures for submitting an application;
- Contact officer for applicants; and
- Fund Guidelines.

A full suite of documentation will be provided with each funding process. Where possible a minimum of one month's notice will be given to potential applicants of any proposed funding process. Such notice including the broad objectives of the funding round, the level of funding available and the timeframe for funding will be published on the [Department's internet](#) site at www.health.gov.au and on [GRANTS link](http://grantslink.gov.au) at grantslink.gov.au.

4.4 Decisions

Approval of funding

Following an appraisal of the application/s by the Fund Assessment Panel for that process, advice will be provided to the Funding Approver on the merits of the application/s. The final

decision about the approval of a grant will be made by the Minister for Health or agency Chief Executive (including a Chief Executive's delegate).

The Approver will consider whether the proposal will make an efficient, effective, ethical and economical use of Commonwealth 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 Approver.

Advice to applicants

Applicants will be advised by letter of the outcome of their application. Letters to successful applicants will contain details of any specific conditions attached to the funding. In accordance with the Commonwealth Grants Guidelines grant approvals will also be listed on the Department's website. The Department will notify all unsuccessful applicants.

Complaint handling

DoHA'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. DoHA requires that all complaints relating to a grant or procurement 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), www.health.gov.au.

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

5 Conditions of Funding

5.1 Contracting arrangements

Successful applicants funded under the Fund will be required to enter into a funding agreement or alternative contractual arrangement with the Commonwealth (represented by the Department).

A copy of the proposed contractual arrangement will form part of any material that forms the basis of a grant process under this Fund.

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 Approver. These will be identified in the offer of funding or during contract negotiations.

In particular, contracts will indicate circumstances under which the Commonwealth reserves the right to terminate funding.

5.3 Payment arrangements

Payments will usually be made on achievement of agreed milestones. Before any payment can be made, funding recipients will be required to provide:

- evidence of meeting the obligations of the funding agreement; and

- a tax invoice for the amount of the payment.

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 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

An evaluation by the Department will determine how the funding provided has 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.

ATTACHMENT A: FUND PRIORITIES AND POTENTIAL ACTIVITIES

Fund priorities may be adjusted from time to time to take into account evidence about the effectiveness, efficiency and appropriateness of Fund activities.

Capacity building for drug and alcohol research

Enhance the capacity of the sector to undertake drug and alcohol research which informs national substance misuse prevention and service improvement efforts.

Potential activities

The Department may fund a range of activities that address this priority area, including but not limited to:

- investment in research centres of excellence under the National Drug Strategy;
- activities that build the evidence base and research capacity necessary to better respond to existing and emerging challenges, particularly the development of evidence-based and evidence-informed practice.

Targeted data collection

Provide an evidence base for drug and alcohol policy through targeted data collection particularly in areas of emerging national concern.

Potential activities

The Department may fund a range of activities that address this priority area, including but not limited to:

- the conduct of data collection for specific population groups to identify trends that directly inform the Government's policy priorities for alcohol and other drugs;
- support for data collection into factors of mortality or morbidity that directly contribute to the evidence base for drug and alcohol use.

National advocacy and representation of specific groups

Support the development of national policy through providing support for national advocacy and representation of the drug and alcohol sector.

Potential activities

The Department may fund a range of activities that address this priority area, including but not limited to:

- support for the core funding of national bodies representing the drug and alcohol sector on matters of relevance to the Government's priorities;
- the provision of expert advice to Government on matters relating to drugs and alcohol (and their relationship to broader society).

Campaigns

Prevent substance misuse and promote evidence based messages about alcohol and other drugs through credible and relevant information campaigns and early intervention activities.

Potential activities

The Department may fund a range of activities that address this priority area, including but not limited to:

- targeted social marketing activity and development of key messages on the Government's priorities in alcohol and/or other drugs policy;
- other communications, information and/or social marketing activity to support prevailing Government priorities related to alcohol and/or other drugs.

Other time-limited and shorter term projects

Support other national substance misuse prevention activity arising from the National Drug Strategy.

Potential activities

The Department may fund a range of activities that address this priority area, including but not limited to:

- specific, targeted activities identified to support the Government's priorities in drug and alcohol prevention and service improvement;
- other prevention and service improvement activities addressing emerging issues of national concern under the National Drug Strategy.

ATTACHMENT B: BROAD ASSESSMENT REQUIREMENTS

The first level of assessment for any funding arrangement will be a preliminary compliance check, to identify applications that meet any mandatory eligibility requirements, and to reject applications that are ineligible.

Applications that are chosen for further consideration will then be subjected to a more detailed evaluation. The first level of assessment for any Grant arrangement will be to determine the capacity of the applicant and the proposed project to meet the purpose, scope, objectives and outcomes of the Fund.

A comprehensive set of documentation detailing the specific criteria of this process will form part of the Approach to Market.

The second level of assessment will be against a range of more specific assessment criteria that directly relate to the project/s being funded under this priority, which may include, but is not limited to:

Details of the legitimate need for the project/ service;

Completed Project Plan and Budget Projections;

Outcomes that are measurable;

Details of the applicant organisation's experience or expertise in undertaking the project/s;

Organisation's financial viability;

Consideration of referees' comments.