



Commonwealth Home Support Programme provider update - Award changes and financial support

July 2022

This fact sheet explains changes to the Social, Community, Home Care and Disability Services Industry Award 2020 (SCHADS Award) and its impact on the Commonwealth Home Support Programme (CHSP). This fact sheet also provides advice to CHSP providers on available financial assistance where they are impacted by increases in modern award wages and the national minimum wage, and other inflationary pressures.

About the SCHADS Award

Modern awards, including the SCHADS Award, set out minimum terms and conditions of employment on top of the National Employment Standards for employees covered by the Award. The SCHADS Award covers the crisis assistance and supported housing, social and community services and home care industries, and provides protections and entitlements including pay, hours of work, rosters, breaks, allowances, penalty rates and overtime.

The Fair Work Commission recently reviewed the SCHADS Award and concluded that changes were needed to ensure that it, together with the National Employment Standards, provide a fair and relevant minimum safety net of terms and conditions.

These changes are an opportunity for the aged care sector to attract more workers to aged care.

Changes to the SCHADS Award for CHSP providers

From the first full pay period starting on or after 1 July 2022, a number of provisions of the SCHADS Award are changing.

Changes that may affect CHSP employees and employers, include:

- **Casual** home support employees must be paid for a minimum of two hours each shift (increased from one hour).
- **Part-time** home support employees must be paid for a minimum of two-hours each shift.
- There are two new **broken shift allowances** payable when employees work a broken shift, with a higher payment if there are two breaks.
- When an employee is required to work a broken shift, the minimum payment requirement above applies to each period of work in that broken shift.
- The introduction of a **damaged clothing allowance**.

- The introduction of minimum payment and other requirements for employees who perform remote work as defined under the SCHADS Award.
- There are also new rules around pay and make-up time that apply where a **client cancels a service**.

These changes **do not** require employees to spend the entire minimum shift of two hours with one client. All employees can continue to see more than one client, at more than one location, within their minimum two-hour payment time.

The changes will generally not apply to employees covered by a current enterprise agreement.

For the latest information on all changes, please refer to the [1 July 2022 changes to Social, Community, Home Care and Disability Services Award](#) on the Fair Work Ombudsman website and consider subscribing to their [email updates](#).

Implementing changes to the SCHADS Award

To implement these SCHADS Award changes, providers must:

- Gain the consent of clients to any changes to their home support plans. Any changes must be discussed and agreed with CHSP clients and be consistent with their assessed care needs and goals.
- Consult with employees about changes that might impact their current award or enterprise agreements or contractual arrangements as part of their grant agreement. CHSP providers remain responsible for adhering to current workplace obligations, for example, when making changes to an employee's hours of work or directing employees to perform other work activities.

CHSP providers may need to consider a range of approaches as they implement the SCHADS Award changes, including:

- More efficient scheduling and rostering arrangements.
- Including other work activities in the minimum shift.
- Making adjustments to service fees and client contributions where reasonable and justifiable.

More efficient scheduling and rostering arrangements

CHSP providers should consider how they can update their current business practices and staffing models to comply with the SCHADS Award changes. These can include:

- Scheduling employees for more than one service type for a client in the same visit, subject to assessed care needs and goals and availability.
- Where services delivered in off-peak times are non-essential, providers may consider negotiating with clients about moving services to peak times to increase flexibility with rostering.
- Scheduling visits to multiple CHSP clients who live in the same or nearby locality.

- Scheduling different employees for sun-up and sun-down activities to minimise broken shifts.

CHSP providers who engage other organisations or individuals to deliver care and services, such as through sub-contracting arrangements, should be aware that regardless of how the services are delivered.

CHSP providers remain responsible for ensuring services are delivered in a way that meets the conditions and requirements of their grant agreement and the Aged Care Quality Standards.

CHSP providers are responsible for negotiating arrangements with sub-contractors that meet their business needs and the needs of their clients. Where suitable arrangements cannot be negotiated, providers may need to consider alternatives.

Including other work activities in the minimum payment period

CHSP providers are not restricted to only delivering care and services during a minimum payment period. The minimum payment period may also include other work activities such as client or general administration (record keeping), care planning documentation, supervision of others, and training and education.

This option may be useful for employees in rural and remote areas who don't have clients in close proximity.

Making reasonable increases to pricing to cover additional costs for CHSP providers

Any increase in service fees by CHSP providers should be carefully considered to ensure they are reasonable and justifiable and done in light of the provider's client contribution policy. Any increases to fees or client contributions should be discussed between the client and the provider and financial hardship provisions considered, where appropriate.

CHSP providers should not set unreasonable minimum service times or charge for time where services are not being delivered (for example, charging a client two hours for a 30 minute service). Any change to minimum service times must be reasonable and justifiable.

CHSP fee charging is determined by CHSP providers as part of their business operations, and all providers are required to have a client contribution arrangement in place. It is good practice to establish the client contribution with the client prior to services being delivered.

The expectation remains that clients who can afford to contribute to the cost of their own care do so, whilst protecting those most vulnerable.

More information is available in the [CHSP Manual 2022-23](#) and in the [National Guide to the CHSP Client Contribution Framework](#).

Increases to Modern Award Wages, the Minimum Wage and other inflationary pressures

CHSP grant agreements were indexed by 1.5 per cent in 2022-23. Since that time, the Fair Work Commission has increased the minimum wage for modern awards and the national minimum wage. The Department of Health and Aged Care (the department) is aware that this is placing pressure on the financial capacity of CHSP providers, with some service types impacted more than others.

While the department is monitoring the service delivery environment, it is not currently looking to increase the level of indexation for the 2022-23 contract. One reason for this is because a significant number of CHSP providers hold unspent funds from previous financial years.

As has been communicated to all CHSP providers, the department is assisting CHSP providers transition to payment in arrears in 2022-23 by allowing the rollover and use of one month's worth of grant funding to provide a cashflow bridge to the new arrangements. Smaller CHSP providers without underspends can also apply for transition support funding, with grant opportunity information now available on the [Grant Connect website](#).

In line with this process, the department will also allow CHSP providers to rollover additional funding, of up to 3.5 per cent of the base value of the 2022-23 contract, where funding is essential to maintain existing service delivery levels. Following the completion of the 2021-22 Financial Declaration, the department will finalise the value of any repayment of remaining unspent funds by deducting this amount.

Similarly, where providers do not have sufficient unspent funds to maintain existing service delivery levels, providers are able to apply for additional one-off financial supplementation under existing CHSP emergency provisions. The department will consider applications up to 3.5 per cent of the base value of the contract.

This support is in addition to existing emergency arrangements for CHSP providers with more than 5 per cent of their expenditure related to fuel, where the department will consider applications to provide supplementation of 30 cents per litre if this is essential to maintain service delivery levels.

CHSP providers can apply for one off ad-hoc emergency funding under GO5672 or to rollover additional unspent funds only once the 2021-22 Financial Declaration has been completed. Information on the latest CHSP ad hoc grant opportunity is available on the [Grant Connect website](#).

Questions and Answers

What is a broken shift?

A broken shift includes at least two periods of work and one unpaid break (other than a meal break) in a 12-hour period. For example, a home support worker who works from 9am–12pm and 3pm–6pm would be considered to have worked a broken shift with one break. A meal break does not create a break in the shift.

The changes to the SCHADS Award introduce a broken shift allowance for home support workers, with a higher payment if there are two breaks.

More information is at [1 July 2022 changes to Social, Community, Home Care and Disability Industry Services Award](#).

Does the minimum payment period need to be worked in one location or with a single client?

All CHSP employees can continue to see more than one CHSP client, at more than one location, and from 1 July 2022 this can be within their minimum two-hour payment period. See guidance above on [Implementing changes to the SCHADS Award](#).

What are my employer obligations if the client cancels a service?

The changes to the SCHADS Award affect client service cancellations and what employees are entitled to. A client cancellation is when a client cancels a scheduled service within 7 days of the service and where a full-time or part-time employee was rostered to provide the service. This includes when a service is rescheduled by the client.

Where a client cancels a service within seven days of a scheduled CHSP service, an employer may either direct the employee to perform alternative duties or cancel the rostered shift or affected part of the shift.

If an employer elects to cancel the rostered shift (or the affected part of the shift), they must either provide the employee with payment for that shift or provide the employee with make-up time. An employer can only elect to provide an employee with make-up time if they have given the employee at least 12 hours notice of the cancelled shift and at least 7 days notice of the make-up time shift.

More information is at [1 July 2022 changes to Social, Community, Home Care and Disability Industry Services Award](#).

Can CHSP providers charge a client for cancelling a service?

CHSP providers should have a clear cancellation policy as part of their client contribution policy and clients should be made aware of this as part of their home support plan discussions.

Is there a grace period for CHSP providers to update their internal software systems to reflect these scheduling and billing changes?

These changes to the SCHADS Award came into effect on 1 July 2022, and providers need to comply with the new requirements from that date. Providers should consult with their scheduling and billing software providers to ensure their systems are updated to take into account the SCHADS Award changes.

Will I have to repay unspent funds that were provided late in the 2021-22 financial year?

Some CHSP providers received funding decisions for grant applications late in the 2021-22 financial year. Unspent funds, where these funds were provided after 1 March 2022 will be automatically rolled over. However, this funding will need to be exhausted in 2022-23 before any additional funding can be sought to address increases to Modern Award wages, the Minimum Wage and other inflationary pressures.

Are there any other circumstances where providers will be able to rollover unspent funds?

The department, by limited exception, may consider business cases to rollover additional unspent funds. However, the default position is that residual underspends will need to be repaid in line with the terms of the CHSP grant agreement.

Where can providers find more information?

For the latest information see [1 July 2022 changes to Social, Community, Home Care and Disability Services Award - Fair Work Ombudsman](#) and providers can consider subscribing to the [email updates service](#).

What assistance is there for CHSP clients?

Where a CHSP client needs assistance with their aged care services, the Australia-wide Older Persons Advocacy Network (OPAN) provides advocacy services. OPAN provides free, independent and confidential information and advocacy support to assist them to understand the SCHADS changes. OPAN can be contacted on 1800 700 600 between 8am to 8pm, Monday to Friday and 10am to 4pm on Saturday or at www.opan.org.au.