



DISABILITY SERVICES PROVIDERS AWARD – WAGES AGREEMENT GUIDELINES FOR COMPLETION OF FUNDING CLAIM FORMS

On the 10 November, 2008, the Tasmanian Industrial Commission ratified the Disability Service Providers Industry Wage Agreement 2008 (DSPA) for improved wages and conditions for Disability Workers in the Community Sector. This decision provides for increases in wage rates and the rate of payment of the sleep-over shift allowance.

Details of the final decision are:

- For organisations party to this award, it offers an average increase of 6.53% across all Disability Service Providers Award classifications. For convenience in calculation by organisations, the new rates are detailed in the Attachment.
- The Commission's decision has increased the sleep-over shift allowance from \$25.20 to \$60.00 per night.

Government to Assist Community Organisations

Recognising the likelihood that most organisations are unable to absorb this increase, the Government has agreed to supplement organisations receiving funding from the Department of Health and Human Services (DHHS) for the increase in salary costs arising from the decision.

The Government offer, accepted by National Disability Services, provides for one-off funding for the full cost of the DSPA wage increase inclusive of normal annual indexation for 2009-10.

Eligible organisations will receive normal grant funding indexation plus an additional funding increment through this claim to meet the total cost of the wage increase for those employees paid under the DSPA. The additional funding increment will be calculated by the following formula:

$$\text{Funding Increment} = \text{Total DSPA cost increase less annual indexation}$$

Example

Disability Inc pays on average salary increases of 6.53% across all DSPA salary classifications and incurs additional sleepover shift costs which added to salary increases that take the total percentage wage increase to 9.8%. Assuming a rate of indexation of 2.5% (actual rate to be applied for 2009-10 will vary) the DHHS will provide additional funding of 7.3% calculated as follows;

$$\text{Total DSPA cost increase } 9.8\% \text{ less annual indexation } 2.5\% = 7.3\%$$

Organisations will be required to submit detailed employee data in the attached claim form for services funded by the Department to enable claims to be validated. The supplementation of funding will commence from 1 July 2009.

There will not be any back pay of any cost increases incurred by organisations resulting from the payment of the DSPA to employees before 1 July 2009.

Depending upon award coverage of an organisation, the minimum wage or safety net increase is normally applied through the Australian Government Fair Pay Commission's decision or the Tasmanian Industrial Commission's decision. The level of these award increases has yet to be ratified. The level of funding to be provided by the Department of Health and Human Services to organisations under the Central Grants Program includes a component to cover this increase. No further supplementation will be provided under this claim.

Who is Eligible?

Funding supplementation will only be paid to organisations that receive funding through the DHHS Disability Services Grants Program and are party to the Disability Service Providers Industry Wage Agreement 2008.

Organisations that are not party to the Disability Service Providers Wages Agreement (2008) should contact the Tasmanian Industrial Commission, their employer body or seek appropriate industrial advice on how they can become a party to the DSPA.

Conditions of Funding

The DHHS will provide funding based on the following conditions.

- Funding will be provided only for services currently receiving grant funding from the DHHS through the Disability Services grants program;
- Funding will not be provided for activities supported from other funding sources including programs wholly funded by the Commonwealth, even if administered by the DHHS on behalf of the Commonwealth e.g. HACC, SAAP.
- Supplementation will be based on the level of funding provided by the DHHS. For those DHHS funded services where the grant funding constitutes a contribution only, organisations will only be entitled to a proportional level of supplementation based on the relative value of DHHS grant funds and other funds;
- The DHHS will accept claims relating to increased costs for staff employed under the DSPA associated with base salaries, overtime, penalties, allowances and direct on-costs where direct on-costs comprise, superannuation, annual leave relief, sick leave relief, long service leave relief, payroll tax (if applicable) and workers compensation premiums.

Organisations should in the first instance review their own financial position and services to ascertain whether they have the capacity to fund all or part of the salary increase. Organisations will need to provide a declaration regarding their capacity to fund the DSPA increase.

Claims for funding **should not include:**

- increased costs associated with recalculation of employee entitlement provisions currently maintained for subsequent years to take into account the DSPA wage case;

- future Safety Net or Minimum Wage Decision increases.
- advancement to a higher pay classification for existing employees
- salary costs associated with invoice based Individual Support Services managed by the Department's Individual Funding Unit. These services will be paid for at the prevailing rates.

Should your organisation employ staff directly in the provision of a service funded by the Department under the terms of an Australian Workplace Agreement (AWA) linked to the DSPA, please describe in the space provided on the form the impact that the increase in rates under the DSPA will have on the AWA, how the level of supplementation claimed has been determined and attach a de-identified copy of a representative AWA. If an AWA is silent on a DSPA work value case or award relativity, then the Department will not provide supplementation for staff employed under this arrangement.

The DHHS will not supplement increases to the extent that they result in total remuneration greater than the DSPA.

The DHHS will only accept claims using the attached claim form.

Organisations need to submit separate claim forms for each service for which they are seeking supplementation.

Claim forms are to be completed and returned to the Office for the Community Sector by **close of business 25 June 2009**.

Organisations that do not need to make a claim under the DSPA for the service listed should signify this by writing **No in the right hand column of the DHHS funding table on page 1 of the claim form and returning the form to the Office for the Community Sector by the due date.**

Payment Arrangements

Supplementation for salary increases for 2009-10 will be paid at the same time as quarterly grant payments once claim details have been assessed and approved. It is anticipated that 2009-10 payments will be processed before the end of July 2009. In order to achieve this date it is imperative that organisations complete the claim form and return to the Office for the Community Sector by 25 June 2009. Any claims received after this date may result in delay in payment of supplementation.

Funding will be advanced to organisations through a variation to the Service Agreement and the additional funding is to be included as part of the annual accountability reporting requirements.

Supplementation for Future Increases

Each organisation is required to calculate the estimated increase in salaries for the year by using the base salary information provided in the claim form and applying the rate increases outlined in the DSPA decision. Supplementation will be provided based on this calculation.

Organisations will be advised of funding changes arising from the subsequent award increase and future funding levels will be automatically amended and paid in accordance with normal quarterly grant arrangements.

Claim Forms

The following documents are provided:

Disability Service Providers Industry Wages Agreement Community– Claim for Supplementation

This form provides for organisational details, lists services and funding provided and includes the Declaration that must be signed by an authorised representative of the organisation.

Claim Details

A separate *Claim Details* sheet must be filled out for each service for which supplementation is sought. Organisations are asked to provide salary and employee details to verify calculation of DSPA increases. Organisations are also requested to indicate their capacity to fund part or all of the DSPA increase.

Sleep Over shift increase

Provision is made on the claim form to include details of the number of sleep-over shifts per year provided by the organisation and the estimated salary cost of the sleep over shifts. This should not include the cost of awake shifts which is to be included in the salaries calculation.

Audit of Claim and Directors Declaration

Organisations should be aware that a program of random and targeted audits of individual claims will be undertaken to substantiate claim details. Targeted audits may be undertaken particularly where information in a claim is clearly at odds with another part of the claim or other available information, and a satisfactory explanation cannot be obtained through follow-up contact

A declaration as to the veracity of the claim has been included on the claim form and a person authorised to sign on behalf of the organisation is required to sign this for the claim to be accepted.

Contact Details

Should you require any assistance in completing the claim forms please contact the Office for the Community Sector by telephoning (03) 6233 8021 or e-mailing grants.unit@dhhs.tas.gov.au.

Electronic copies of these guidelines and claim forms can be obtained by contacting the Office for the Community Sector above or by visiting our website: www.communityExpress.dhhs.tas.gov.au

On completion of the claim forms please retain a copy and send originals to:

Office for the Community Sector
Department of Health and Human Services
GPO Box 125
HOBART TAS 7001

Glossary and Definitions

Salaries	Salaries and wages paid to staff employed in the funded service including penalties, overtime and allowances and may include corporate overheads (corporate services and general management positions) provided the salary costs relate to the provision of the services funded by the DHHS
Estimated Current Annual Salaries	This part of the <i>Claim Details</i> Sheet refers to the estimated cost of salaries for 2008-09 at existing salary rates before the introduction of the recent Industrial Commission decision on the DSPA. This is the base figure on which future salary increases are determined and compared to.
FTEs	<p>Full Time Equivalent (FTE) for Staff - One FTE is one full time job for one financial year and is calculated on the basis of the ratio of hours worked (excluding overtime) to normal Award/Agreement hour provisions.</p> <p>For example if the normal working week is 38 hours and an employee consistently works 19 hours the FTE would be: $19 \text{ divided by } 38 = 0.5$</p>
Salary On costs	Additional costs incurred resulting from the employment of staff including superannuation, annual leave relief, long service leave relief, and sick leave relief, payroll tax (if applicable) and workers compensation premiums

Disability Service Providers Industry Wages Agreement

Disability Services Providers Award		Level	Award Rates from October 2008	New rates effective from 10 February 2009
Disability Service Providers Award		Employee - Level 1	546.10	578.33
Disability Service Providers Award		Employee – Level 2		
		Base	562.80	600.56
		1 st Increment	575.30	609.14
		2 nd Increment	585.30	616.09
Disability Service Providers Award		Employee – Level 3		
		Base	604.50	639.56
		1 st Increment	617.00	649.62
		2 nd Increment	629.60	660.23
Disability Service Providers Award		Employee – Level 4		
		Base	639.90	683.74
		1 st Increment	660.80	710.03
		2 nd Increment	681.60	723.97
Disability Service Providers Award		Employee – Level 4a		
		Base	-	749.16
		1 st Increment	-	777.55
		2 nd Increment	-	792.32
Disability Service Providers Award		Employee – Level 5		
		Base	700.50	770.96
		1 st Increment	742.20	800.06
		2 nd Increment	763.10	815.10