

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Mr Higgins to Minister for Health:

Funding Agreements

- 1. Please provide a list of the funding agreements your Department has entered into; including the organisations, the annual amount and the number of years applicable to each agreement.**

Refer attached table of NT Health grants.

- 2. What impact will the efficiency dividend have on these agreements?**

The Top End Health Service and Central Australia Health Service efficiency dividend is 1 per cent. Where the efficiency dividend applies to grants, there will still be an increase in funding for these organisations. While there is a 1 per cent efficiency dividend, these organisations will also receive indexation for wages and CPI, as per Budget Paper 2 and the Cabinet approved indexation rate for the 2019-20 financial year of 1.29%.

The Department of Health efficiency dividend is 3 per cent and the following principles will be applied in relation to grant indexation:

- New and renewing grants will be put in place under the Standard Funding Agreement (SFA) terms and conditions and will apply the -0.73% Cabinet approved indexation rate to base funding. The SFA is the new whole of government funding agreement for non-Government Organisations (NGO).
- Existing grants under SFA terms and conditions will be assessed on a case by case basis and reasonable effort will be made to apply -0.73% to base funding.
- Existing grants on NT Health terms and conditions have limited legal ability to reduce the grant funding and any changes to terms and conditions must be agreed to by the NGO. However, they will be assessed on a case by case basis and reasonable effort will be made to apply the -0.73% indexation rate. In the event that the -0.73% is unable to be applied, nil indexation will be applied.

3. **Please specify for each of those on the list (per question 1) what amount will be deducted from their annual grant?**

Refer to question 2 response.

4. **Please specify for each of those on the list, when you advised the individual organisations of the funding cut as well as their response.**

Organisations will be contacted as grants are assessed on a case by case basis.