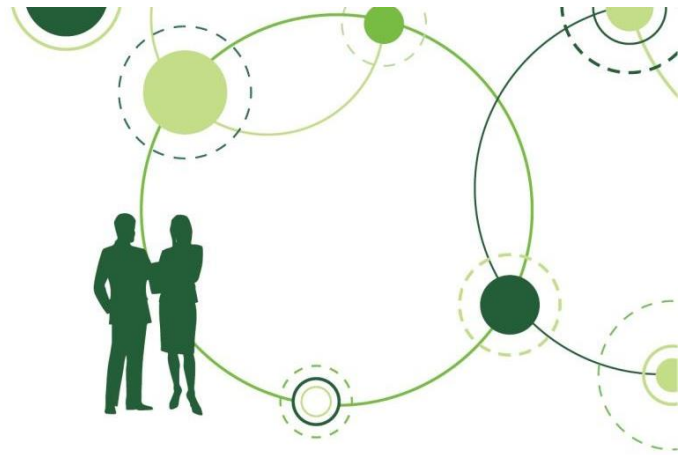Australian Government
Department of Social Services

Australian Priority Investment Approach to Welfare

Try, Test and Learn Fund

Co-development supplementary information

Version 1 (11 April 2017)

Version history

	Date	Reason for update
Version 1	12 April 2017	

Background

This document contains additional information about the co-development stage and funding selection processes for Tranche 1 of the Try, Test and Learn Fund. It supplements the Try, Test and Learn Fund Handbook (Handbook) which is available at DSS Engage. Unless the contrary intention appears, terms defined in the Glossary to the Try, Test and Learn Fund Handbook have the same meaning in this document.

The Try, Test and Learn Fund will support trials of new or innovative policy responses to help people live independently of welfare.

As announced in the 2016-17 Federal Budget, the Try, Test and Learn Fund is the Government's first response to the Australian Priority Investment Approach to Welfare. It will help to achieve the goals of the Priority Investment Approach which are to improve lifetime wellbeing by:

- increasing the capacity of individuals to participate in social and economic life and to live independently of welfare;

- reducing the risk of welfare dependence; and

- reducing long-term social security costs in the interests of maintaining a sustainable support system for vulnerable Australians.

The Try, Test and Learn Fund will seek to support groups who have the capacity to work and are at risk of long-term welfare dependence. It will also help to ensure that Australia's safety net remains sustainable for future generations.

Tranche 1 of the Try, Test and Learn Fund

The priority groups for Tranche 1 of the Try, Test and Learn Fund were informed by the 2015 Priority Investment Approach Baseline Valuation Report and additional analysis of Priority Investment Approach data. The initial priority groups are:

- young people aged under 25 who started receiving Parenting Payment at age 18 or under and who are still receiving an income support payment;

- young people aged under 25 who are in receipt of Carer Payment or at immediate risk of going onto the payment; and

- young people aged under 25 who have moved, or are at risk of moving, from study (post-secondary or tertiary and been in receipt or receiving a student payment) to an extended period on an unemployment payment.

Tranche 1 of the Try, Test and Learn Fund opened in December 2016 with a public ideas generation stage that closed on 24 February 2017. During the ideas generation phase, submissions were welcomed on the DSS Engage website from members of the public, community organisations, businesses, government agencies and others. Ideas that met the eligibility criteria were assessed to form a shortlist of ideas to proceed to co-development.

The shortlisted ideas will enter a co-development stage to collaboratively develop and refine them from initial concepts into detailed project proposals. At the end of co-development, the Minister for Social Services will select ideas to progress to a funding stage with the support of the Priority Investment Approach Inter-Departmental Committee and in consultation with the Prime Minister, the Treasurer and the Minister for Finance.

For further background on the Try, Test and Learn Fund, an overview of the Fund's design and detailed information on the public ideas generation stage, please refer to the Try, Test and Learn Fund Handbook which is available on DSS Engage.

Co-development purpose and goals

The co-development stage will allow stakeholders to collaboratively develop and refine the shortlisted ideas from initial concepts into detailed project proposals. Co-development projects may be based on a single idea or a group of ideas that are complementary or similar. The process will rely on a partnership between the proposers of ideas, the Department, potential service users and other collaborators, including members of the Expert Advisory Group. The project proposals developed will then be used to select projects for delivery and funding as described below.

Co-development is an important stage in the Try, Test and Learn Fund process that will contribute to the delivery of innovative and effective projects to support the identified priority groups. The objectives of co-development are informed by the broader goals of the Try, Test and Learn Fund and the Priority Investment Approach as outlined in the Try, Test and Learn Fund Handbook.

Specifically, co-development aims to support the following goals:

- genuine collaboration with a meaningful impact on program design, with a particular focus on collaboration with representatives of the priority groups;

- more creative and innovative program design; and

- new opportunities for collaboration between the Commonwealth, the community sector, business and other stakeholders, and the chance to learn from each other.

For each project, the objectives of co-development will be to:

- deepen understanding of the specific barriers to employment that the idea or group of ideas will address;

- work with service users and other experts to develop and optimise project delivery models, including ensuring projects can be delivered efficiently;

- build evaluation approaches into the project design and test that projects are suitable for effective evaluation;

- explore links between complementary ideas to build strategic partnerships or more holistic projects;

- situate projects within the existing policy context and seek opportunities for linkages, partnerships or collaboration; and

- collate findings into a detailed project proposal to support decision-making of which ideas will progress to funding and delivery.

Co-development activities

In Tranche 1 co-development will occur over several weeks and will be guided by independent facilitators. It will involve structured activities with a mix of stakeholders. These stakeholders will vary for each project and may include idea proposers, representative

members of the priority groups, staff from government agencies, members of the Expert Advisory Group, and other stakeholders, including proposers of similar or complementary ideas.

Co-development will consider questions such as:

- Is the proposed project likely to address the identified barriers and needs?

- How should the project be evaluated? How can the project design support a robust empirical assessment of the project model?

- Could the project be improved through additions or changes, such as new elements or partners?

- How can the best elements of complementary ideas be combined or work together?

- What would success and failure look like for this project and how could that be measured?

- Are there overlaps or synergies with existing programs?

- Are there any major risks? Could these be mitigated, and if so, how?

Co-development planning

To ensure probity and integrity throughout the co-development process, the co-development of each project will be based on a consistent planning methodology and governance framework. This will promote fairness, equity, consistency (where possible) and accountability in the treatment of ideas, while allowing the co-development process to be sufficiently flexible and dynamic so that projects can be co-developed in a tailored manner. Co-development planning decisions will be guided by considerations such as the project complexity, maturity and scale.

For each project the independent facilitators will prepare a detailed co-development plan, prior to co-development commencing, which will be approved by the Department.

Key questions that will guide co-development planning decisions include:

- How many different ideas are being considered in co-developing the project, and how complex are these ideas?

- How mature or well refined is the original idea, or group of ideas?

- Which stakeholders should be involved in the co-development of the idea or group of ideas?

- How many different stakeholders should be involved?

- What are the levels of risk for the project? Are there any particularly sensitivities or complexities that need to be explored?

- Are there opportunities to add more innovative features or additional components to the delivery model?

- Are stakeholders available for co-development activities? Where are co-development stakeholders located?

- If known, where will the project be delivered and how should the local community be consulted?

- What expertise and perspectives are required to answer the key design questions for the project?

Co-development process

Once the plan for co-developing an idea or group of ideas has been approved, the relevant independent facilitator will then be responsible for:

- implementing the co-development activities set out in the approved plan;

- documenting discussions and outcomes of co-development activities; and

- reporting to the Department on progress.

Development of project proposals

At the conclusion of the co-development activities, the findings and outcomes will be collated by the relevant independent facilitator into a project proposal for each project. To promote consistency in approach, all project proposals will be developed using the same template and will contain detailed information on each project, including:

- required resources and inputs for the project;

- project activities and delivery model;

- expected outcomes and impact;

- target cohort(s) and intended delivery locations;

- proposed project budget and timeframes;

- risk assessment and mitigation; and

- an initial project monitoring and evaluation plan.

Selection of projects for funding

At the conclusion of the co-development stage, project proposals will be considered to determine which projects should proceed to funding and delivery. Each project will be considered independently against a range of parameters. Relevant considerations may include:

- Does the project have a viable approach to delivery and evaluation?

- Is the project likely to achieve its intended outcomes?

- Would delivery and evaluation of the project provide beneficial evidence to the Government and other stakeholders that could improve future service delivery?

- Are there any major risks or challenges to delivering the project that could not be sufficiently mitigated?

- Is the cost of the project proportional to the anticipated outcomes?

The Department will consider each project, in consultation with the Priority Investment Approach Inter-Departmental Committee which includes representatives of the Departments of the Prime Minister and Cabinet, Employment, Education and Training, Health, Human

Services, the Treasury, the Australian Bureau of Statistics and the Australian Government Actuary.

The Priority Investment Approach Inter-Departmental Committee will make recommendations to the Minister for Social Services who will consult with the Prime Minister, the Minister for Finance and the Treasurer prior to deciding which projects will proceed to funding and delivery.

Selection of delivery partners to receive funding

For projects selected to proceed to funding and delivery, the Department will undertake appropriate processes to select suitable delivery partner(s) to receive funding to implement the project. Due to the varied nature of the ideas received, this may include competitive and non-competitive grant processes. It may also involve the provision of funding to Commonwealth agencies if that will be required to deliver selected projects. All funding processes will be undertaken in a transparent and probative manner, and in accordance with Commonwealth law and policy, including the *Public Governance, Performance and Accountability Act 2013* (Cth) and the *Commonwealth Grants Rules and Guidelines*.