



Reporting, compliance and government paperwork

- Burden? Obligation? Tool?

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Contents

INTRODUCTION.....	3
SUMMARY OF FINDINGS.....	4
CASE STUDIES.....	7
Organisation A - Small, single service	7
Organisation B – Large, multi-service	9
Organisation C – Medium, multi-service.....	11
Organisation D – Small to medium, multi-service	14
Organisation E – Medium to large, multi-service.....	18
APPENDIX: Case Study Questions.....	20

Introduction

Aim of this research:

To develop anonymous case studies demonstrating the nature of the burden of government paperwork, particularly relating to reporting and compliance, on community service organisations.

What will the information be used for?

This report will be presented to the DHHS Office for the Community Sector (OCS) to inform the development of the DHHS Integrated Finance and Performance Framework.

It is also being made available to the community services industry and other stakeholders to inform their thinking around these issues.

Background:

The Office for the Community Sector asked TasCOSS to compile some case studies/scenarios to illustrate issues and impacts on community services associated with the reporting and compliance required by funding bodies of all kinds – including State and Commonwealth Governments. TasCOSS and the OCS are seeking to understand the basis of problems with reporting burden as it is often mentioned as an issue by community service organisations.

Improvements to data collection, data analysis and usage, and accountability systems were identified as priority actions in the Tasmanian Community Services Industry Plan 2009-2012 (Priority 4.4 and 4.5).

Methods

TasCOSS conducted semi-structured interviews with five organisations to develop anonymous, de-identified case studies. The organisations were chosen to include the following:

- a small/single service agreement organisation
- a multi-service organisation primarily with DHHS funding
- a multi-service organisation that also has Commonwealth funding
- a multi-service organisation with good systems in place

The Interview Schedule is included as an Appendix.

What does this report contain?

This report contains a summary of the key issues identified through the case study interviews. It presents five case studies demonstrating the issues and challenges that government funded community organisation have with reporting, as well as ways they successfully manage data collection and internal and external reporting requirements.

The report provides information only. It does not present specific recommendations.

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Summary of findings

The five community service organisations interviewed by TasCOSS reported the following significant issues regarding reporting, compliance and government paperwork.

1. Different funders/programs all require different reporting.

There are variations in:

- Frequency of reports –quarterly, biannual or annual, or at conclusion of individual projects
- Information required
 - Often different data collection and reporting systems are required for each program
 - Finances often have to be analysed in different ways for different programs. This is time-consuming and frustrating for senior managers and accountants/bookkeepers.
- Inadequate government databases
 - Government databases into which organisations are required to directly enter information are often very difficult to use
 - These difficulties often lead to data entry errors, or erroneous categorisation of records by the database system, that render the information collected inaccurate
- Definitions
 - some elements of service provision may be defined differently by different programs. These definitions may be different again from the service provider's definition e.g. the definition of "client contact" is different between Population Health and the Alcohol and Drug Service. The service provider must distinguish between these definitions of contact in its data collection and reporting.
 - Some key services mentioned in service agreements (e.g. "independent living") are not defined. This leads to potential inconsistency in service provision by different providers. It fuels a perception of a lack of transparency in contract arrangements and rumours that all providers are not treated in the same way.

2. Lack of feedback from funder

- Organisations receive very little, if any, feedback from state and federal government on reports. Several organisations wondered, "Are they even read?"

One organisation (not one of those interviewed) held back submitting reports for one of its DHHS funded services for four years as a deliberate experiment to see if they were read. It did not have any response from the department, and its funding continued as normal. The experiment began as a result of frustration with the previous lack of feedback or even recognition from the department that a report had been received.

- Organisations report that very often, there is a similar lack of feedback after submissions to government inquiries and consultation processes. This adds to a general level of cynicism about communication to government.
- Data requirements of government – e.g. the Minimum Data Set in Disability, or ADIMS reports for Drug and Alcohol Services – require significant time and resources to record and report, but are of little or no value to the organisation providing them. The information flow is largely a one-way street from provider to government.
- As a result, **there is significant cynicism about the value of reporting.**
- Service providers would greatly value national, statewide and regional analysis of data provided by multiple providers in a program. Such analysis is seen to have potential for strategic planning both by service organisations and government. For example, several organisations said they would value the ability to benchmark themselves against similar services.

Reporting, compliance and government paperwork

3. Untimely feedback on fixed-term project reports

- Issues, concerns or queries about the services delivered are sometimes only received at the end of a project following the final report. In such cases, it is 1) impossible to adapt the service in response and 2) often very hard, or impossible, to respond to queries for more information as project staff often change jobs, and employers, at the end of a project. Staff often leave before the final report is submitted, which is usually a few months after the conclusion of service delivery.

4. Frequent changes to reporting formats/templates/questions.

- Each change requires additional work by organisations, including redesigning data collection forms or processes as well as the reports themselves.
 - Often there is either no support, or limited support, such as training or financial assistance to manage these changes.
- There are frequent staff changes within government program management divisions. This often leads to changes in reporting requirements e.g. new templates or additional data requests, without consideration of the impact of this on organisations.
- In one case, format/template changes were made without informing service providers until *after* they had submitted a report in an old, previously accepted format.

5. Costs to develop adaptive databases that simplify data capture and reporting for multiple programs appear prohibitive for small to medium organisations.

- A number of larger organisations have invested tens of thousands of dollars to develop complex databases to manage data capture and reporting. In at least one case, the system also manages billing, pay-roles and rostering.
- There is limited information about the options or costs of databases tailored to small to medium organisations.
- Smaller organisations had the view that they may not have the financial capacity and/or the IT infrastructure to make such an investment.
- One small organisation spent \$6000 on a database designed around one reporting template. The template was subsequently changed by government, rendering the database useless.

6. For small to medium organisations, the CEO and/or Board are required to do a significant amount of reporting work.

- Even when staff put together the bulk of a report, CEO's need to at least check them before submission, and where reports require critical analysis of service delivery, CEO's are often required to provide this themselves.
- One CEO in a medium-sized organisation (20-30 staff) delivering multiple services spends around 25% of their time on reporting.
- In one very small organisation, the voluntary committee does all reporting and correspondence so their paid part-time coordinator can focus their time on service delivery.

7. Lack of coordination between government programs, and State and Federal Government.

- **Lack of an agreed set of core standards applicable across a range of connected programs.** For example, a number of State and Federally funded in-home aged care programs have separate sets of quality standards that share similar elements but are not cross-referenced in any way. An organisation providing an integrated service to its clients that encompass all of these government programs must reference its Policies and Procedures to each program's standards. This creates a great deal of complexity for the organisation to demonstrate compliance against the standards.
- **There are no consistent ways to analyse financial figures between various programs and reporting templates.**
- **Tenders and submissions for a number of programs often fall due around the same time.** This creates huge peaks in workload for organisations. This is exacerbated by the short time-frame between the opening and closing dates of submissions. In addition, many programs do not call for submissions at the date promised in advance. This creates significant problems for balancing senior staff

Reporting, compliance and government paperwork

leave-time with periods of high workload. (See issues with tendering processes below).

- **Individual needs can fall through the cracks between State and Federal responsibility.** For example, an elderly disabled person receiving Disability funding for support services is not eligible for additional, or more appropriate, support through aged care funding. This issue relates to a perception that while government requires reporting for individual people, it does not have the capacity to manage or monitor the needs of individuals.
8. **Some DHHS programs require individual clients to be identified in reporting.** This is required in reports to Disability Services, and has been previously demanded in reports to the Alcohol and Drug Service. It is believed that no other Australian State or Territory requires identified data.
 - Organisations believe this is an invasion of privacy and can interfere with the relationship with their clients. They do not understand why DHHS requires identified information, but would be happy to provide the same information in a de-identified form.
 9. In some organisations, **front-line staff are unhappy with the amount of reporting or form filling expected from them.**
 - This is fuelled by cynicism about the lack of feedback from reporting.
 - Many organisations are so stretched to meet community demand that time spent collecting data and preparing reports for government is seen by staff as robbing time from service delivery and therefore a waste of time. This is particularly so where the data is not seen as directly useful for the service deliverer.
 10. **Service standards and/or the outputs reported against can be restrictive** and unduly reduce an organisation's flexibility to deliver services in responsive ways to meet changing community needs. This is particularly so in Federally funded aged care provision.
 11. In some cases, **the level of reporting required to demonstrate compliance with quality standards:**
 - **has increased over time**, increasing the level of administration needed
 - there has been **no increased funding** to meet increased reporting demands
 - the data collection and reporting load **has lead to reduced service delivery**

Tendering practices

A range of issues regarding government tendering practices were raised. They include:

1. **Competitive tendering forces organisations to compete.** This restricts communication, information sharing and cooperation between organisations delivering similar services.
2. **Unilateral changes by government to agreed project objectives and budgets** after a successful tender has already been approved, have lead to significant additional workload for successful tenderers to redesign project plans and budgets. This has also lead to significant delays in the start date without a corresponding increase in the finish date of a fixed-term project. This reduction in project time compromises the ability to meet expected outcomes.
3. **Lack of coordination between government agencies leading to tenders and submissions for a number of programs often falling due around the same time.**

Case Studies

Organisation A - Small, single service

Profile:

Staff: 1 P/T **Volunteers:** 20-30
Annual Expenditure: less than \$100,000
Programs Delivered: Migrant aged care
Funders: State (HACC)
Geographic coverage: Local region

“Putting every organisation under a blanket”

Organisation A is a small, grass-roots organisation run by 20-30 volunteers and one part-time paid worker. They fill a real niche and are highly valued by the migrant community. Their connection and responsiveness to community needs, and the effectiveness of their service, was recently attested by the externally evaluated HACC Appraisal where they were given a high quality rating (more than 17.5 out of a possible 20).

The bulk of their reporting and other correspondence with government is done by their voluntary Committee of Management, to ensure that their paid coordinator can focus solely on service provision. The only reporting done by the coordinator involves confidential client information that only the Coordinator sees. If other paperwork had to be done by the coordinator, the Committee believes there would be little time left for community work. However, the Committee’s focus is on running their service, and many members see reporting as an onerous chore that volunteers shouldn’t be expected to do. They think that if the government wants it, they should pay more for administration.

For this group, reporting goes hand in hand with general correspondence with government, including responding to numerous requests for input into inquiries, one-off requests or consultations. While the time required to complete reports is not too onerous in itself, it is all the other requests that combine to create a heavy load on volunteers.

Another problem is language. Committee members often struggle to understand specific terms and at times the intention behind requests. This is exacerbated by the fact that English is a second language for many of them. However, like many other grass roots organisations whose members may have limited education or professional experience, they are not familiar with many terms, concepts, or ways of doing things taken for granted by many professionals.

In one case, the Committee was emailed to ask if they have a policy on a particular issue. No-one on the Committee had any idea what this meant. When they responded to say they don’t have such a policy and asked for clarification on its meaning, they received no reply and are still waiting for a response after six months. (As an aside, it is worth noting that the only people in the organisation, including the coordinator, with access to email are three Committee members).

Reporting, compliance and government paperwork

This leads to a major issue with their interaction with government in general. They said they almost never receive feedback after submitting reports or other submissions to government. This has bred a level of cynicism among some members, and a feeling that all the paperwork requested is just to keep bureaucrats in a job.

One of their major bones of contention is that government keeps “putting all organisations under a blanket” in a one-size-fits-all approach. This sees them completing the same level of reporting and evaluation processes as a much larger organisation receiving ten to twenty times the funding. While they are happy to report on their service and be accountable, they believe reporting and assessment processes should be tailored to the size of an organisation.

As migrants, their lived experience is that Australian culture and institutions continually fail to cater for peoples differences. This happens whether someone is a migrant, elderly, disabled or of a different religion. Their one message to government is that everyone is different and there is a need to cater for individuals, and different organisations, in different ways.

Organisation B – Large, multi-service

Profile:

Staff: approx 100 **Volunteers:** 8
Annual Expenditure: more than \$1,000,000
Programs Delivered: Disability services
Funders: Commonwealth (FaHCSIA, DOHA),
State (CSTDA, Skills Tasmania)
Geographic coverage: Regional

Organisation B takes a pro-active approach to reporting, accountability and quality assurance. They are in the process of being accredited under the quality assurance system ISO9001:2008, and are also upgrading their data recording and reporting systems by installing The Care Manager, a client management software package designed for community service organisations that interfaces with numerous government reporting templates. They see several problems with current reporting processes and have a clear idea of how they can be improved.

Minimum Data Set (MDS)

The reporting task that takes the most time is the annual Minimum Data Set (MDS) where details of the activities of individuals receiving residential and day services are recorded over a one-week period. Inputting the data into the national MDS database takes a dedicated admin person in the order of 10hrs for 68 clients. The task is very tedious due to numerous glitches and idiosyncrasies of the system, such as inconsistent case sensitivity with text. Recent turnover of admin staff means that a different person has entered the data in the last three reporting periods, adding to the difficulty of the process.

What makes the task more of a burden is that the organisation gets very little of value back from the MDS. Although national and state reports are available to providers, they largely present the raw data with minimal analysis, and in a way that does not allow the organisation to compare itself with other providers in similar regions. Organisation B would like to see the information being used to inform their own strategic planning and continuous improvement processes, as well as service provision more broadly at the state and national level. If Australian and State governments do retrieve useful data from the system now, it is not apparent to any service providers.

Issues with DHHS

In general, the reporting required by DHHS is not considered onerous. In fact, it is seen as failing to require sufficient accountability. They consider there is effectively no accountability required to demonstrate outcomes produced from taxpayer's money, and would prefer more accountability for themselves and others across the service system. In their opinion, the much higher level of accountability for outcomes required by Australian government programs is more appropriate.

Another issue is the lack of agreed definitions of key elements of service provision outlined in their Service Agreement, such as "independent living". This leads to potential inconsistency in service provision by different providers. It fuels a perception of a lack of transparency in contract arrangements and rumours that all providers are

Reporting, compliance and government paperwork

not treated in the same way. The organisation would prefer that DHHS clearly define what it is purchasing so all providers have uniform, non-negotiable, service requirements.

DHHS produces Funding Agreements that personally identify clients. It is understood that Tasmania is the only State that requires identification like this. Organisation B considers this to be an unnecessary breach of privacy.

An example of what appears to be reporting for reporting's sake is the requirement to report incidents of clients with aberrant behaviour, using BAF forms (Behaviour Analysis Forms). When an incident occurs, these forms are routinely filled out and sent to DHHS. However, there is "never any feedback". Staff have "no idea what happens" to the data, whether it is ever read or analysed. For instance, it would be useful to know when and in what circumstances behaviour problems commonly arise across the state, and what types of interventions have been most successful. Such analysis is never seen. Consequently, staff feel that nobody in the Department cares.

Suggested improvements to reporting and communication

To be effective, the organisation believes that a reporting and performance management system needs to be:

- Simple
- Relevant and meaningful to both service providers and government.
- Reflective – reporting useful data back to the sector. Such data could allow benchmarking and strategic planning within organisations and across the disability sector. They recognise that such reflection could be challenging. They gave an example of the QLD Office for Children that had a roving audit team that would interview clients without prior notice. The results, that reflected very poorly at times, were fed back to senior management and resulted in real change within the system.
- Uniform – all providers operating under contracts with common definitions of the services the government is purchasing, and with uniform reporting requirements.
- Transparent – the requirements for providers should be non-negotiable. This would address the current lack of confidence that all providers are treated the same.
- Independent – service providers could be accredited by an independent body.
- Flexible – in the type of quality and safety systems allowed. Having already moved down the path of quality assurance accreditation, the organisation wants to ensure that it, and other organisations like it, are not penalised by being forced to fit within a particular system mandated by DHHS that may be different to theirs.

Organisation C – Medium, multi-service

Profile:

Paid staff: about 22 F/T and P/T

Volunteers: several

Annual Expenditure: more than \$1,000,000

Programs Delivered: Youth health services, crisis shelter, family support, unemployment

Funders: Commonwealth (FaHCSIA, Health and Ageing, DEWR), State (Alcohol and Drug Service, SAAP, Community Support Program)

Geographic coverage: Most services in local area with some spread across larger region.

Organisation C is a medium sized agency delivering a broad range of youth and family services funded by around ten separate State and Australian government service agreements. There are particular issues with reporting and paperwork that arise because of the scale of the organisation, and others that are more generic.

The number and complexity of reports for service contracts sees around 25% of the CEO's time spent meeting reporting obligations. There is at least one report due every month. Report writing is a shared exercise between project officers and the CEO, with the officers providing the data and some analysis, but all reports are checked by the CEO. Many reports require a level of critical analysis that is outside the scope of the service provision skills of many staff members, and there is little training available to develop such analysis skills. The scale of the organisation dictates that project officers report direct to the CEO rather than a middle manager. Therefore the responsibility for this analysis rests with the CEO.

Financial analysis required in reports also demands the accountant's time. Many programs require finances to be analysed differently, adding to the accounting demands. The combined costs of both the CEO's and accountant's time required for reporting is not adequately covered by funding. Although an admin fee is charged to all projects, restrictions on the percentage fee that is acceptable by funders means that the true costs are not met.

One consequence of the reporting demands is that the CEO does not have time to apply for as many new grants and opportunities as they would like, other than re-tendering or re-negotiating existing services. The lack of time is exacerbated by the short time frames typically given for submitting applications, and the recent approach of calling for a partnership or consortia to submit tenders which adds considerably to the time required to develop a competitive application.

Contract and reporting issues

Two examples illustrate how government actions can have significant negative impacts on service organisations.

1. Re-tendering, uncertainty and late feedback = Upheaval

A single staff member had delivered one service for over 10 years with Australian government funding, with a series of contracts consistently rolling over. Towards the end of a recent three year contract, the service was put to open tender for the first time. The resulting uncertainty of employment for the worker led them, reluctantly, to

Reporting, compliance and government paperwork

move to a secure job for another employer. With six months of the contract still to complete a new worker was employed.

The contract ended on June 30th and the final report was due at the end of October. The new worker was able to complete the report as they were kept on in another position, however it was very difficult to review the work done previously by the original worker. In December, a new government staff member responded to the final report with some critical feedback and asked additional questions about the early years of the program. It was “almost impossible to give this feedback” in the absence of the original worker, and attempting to address the questions took a great deal of both the new worker’s and the CEO’s time. [The new tender was eventually won by Organisation C].

What was particularly irksome was that there had been limited feedback after reports submitted in the previous years. Where feedback had been given and responded to there appeared to have been no recording of those responses – so that matters that had appeared to the organisation to have already been addressed were again raised. At the conclusion of the contract it was too late to address them.

Commonwealth staff changes such as the one that led to the above situation are frequent and often lead to inconsistencies and changes in reporting requirements that can make reporting repetitious and frustrating.

2. Late changes to Service Agreements

Organisation C was successful in a recent Commonwealth tender, with the objectives, project plan and budget approved as submitted. However, when the Service Agreement arrived, the Commonwealth had unilaterally changed the project objectives, requiring the project plan to be rewritten. The budget was then changed, leading to another rewrite of the project plan. Later, the instalment dates for funding were altered, again requiring planning adjustments.

As a result, the objectives, project plan and budgets were still being developed four months into the three year contract, with no subsequent increase in the contract length and with significantly more planning costs incurred. The final objectives had shifted around 50% from those originally advertised, and it is clear that a four month reduction in service delivery time will hamper the ability to meet those objectives. A similar situation happened in a second case.

Lack of feedback breeds cynicism

Like other organisations interviewed for this research, a lack of feedback leads staff to question where and how the information is used, and whether reports are even read. The organisation gets nothing of value from the statistical reports it submit, particularly ADIMS (Alcohol and Drug Information Management System) data.

Internal systems

Data collection and reporting systems are a continual work in progress due to regular changes in reporting requirements. One key is to keep processes and data as simple as possible, as the more complicated the data or the collection tool, the more chance there is for error or omission.

The organisation’s own database collects basic data and tailors internal and external reports for different programs and reporting templates to some extent. Currently there is some double collection and entering of data. This is partly due to some data needing to be entered into both the ADIMS and the SAAP NDCA (National Data Collection Agency) databases.

Reporting, compliance and government paperwork

The organisation would like to have a more sophisticated and flexible database. However, it believes the type of integrated, powerful database that some larger organisations have would be beyond the price it could afford.

Be cautious of unit costing

The organisation has a number of concerns about the government moving to a unit costing model. These relate to the potential for costs that are currently not adequately covered such as reporting and staff development not being factored into the model. There is also a concern that the lower overheads potentially possible for larger organisations may make it hard for small to medium organisations, with higher overheads but closer community connections, to compete.

Organisation D – Small to medium, multi-service

<p>Profile: Staff: 10 Volunteers: Board members only Annual Expenditure: \$100-500,000 Programs Delivered: Youth health services. Approx. 10,000 client contacts per year. Funders: Commonwealth (DOHA), State (Alcohol and Drug Service, Population Health) Geographic coverage: Most Services delivered on site with limited outreach, one state-wide program</p>

Over the last few years, Organisation D has gone through a process of analysis and reform that has changed a complicated and inaccurate record keeping and reporting system into a simplified, streamlined one. Reports are now more accurate, and punctual, and the organisation’s relationship with DHHS has improved with much more two-way communication. From their perspective, the investment of time and resources that was necessary to redesign their systems has been very worthwhile.

Funding is received to deliver six main services, from a mixture of State and Commonwealth programs. Each of these have separate Service Agreements, reporting schedules and requirements. The reporting schedules are shown below. In addition, regular activity and finance reports are produced for managers and the Board.

Program	Government	Reporting schedule
A	TAS	2/year + regular ADIMS* reports
B	TAS	2/year
C	TAS	Annual
D	AUST	Quarterly
E	TAS	Annual + regular financial reports
F	TAS	Annual

* ADIMS = Alcohol and Drug Information Management System

Each program has a different reporting format or template that dictates how information is provided to government. Some of these have changed regularly over the years. In one case, a report returned on time was returned by DHHS because it was on an out-of-date template. However, the returned report was the first notice the service had received about the change of template. On another occasion, the service spent several thousand dollars on a database designed to collect data and report it according to a specific template. The database was barely up and running before the template was changed, making the database redundant.

When each of the roughly 10,000 clients per year present, an intake and assessment process identifies the service they require. One client may access one or a number of services depending on their needs. Often the varying services will be delivered by the one youth health worker, although they are paid for from varying funding streams.

There are two factors that make the data collection and reporting process complicated. The first is that each service type has separate reporting requirements.

Reporting, compliance and government paperwork

Each requires different information to be reported and therefore recorded about each client contact. Some services require specific personal information that must be gathered very sensitively, and would not be routinely gathered from all clients. Therefore it is not appropriate to have a one size fits all approach to collecting client information.

The second complication is that different government programs have **different definitions** of what constitutes an incidence of “service” or “formal” and “informal” client contact. Therefore activity reports for one program are not directly comparable with others.

ADIMS (Alcohol and Drug Information Management System) reports.

More serious problems relating to “formal” Vs “informal” contact arise as a result of limitations in the State government database used to report information on each individual receiving drug and alcohol services. Detailed data is entered online on a daily basis into the Tasmanian ADIMS database. ADIMS is viewed as antiquated, hard to use, and overstretched. The organisation has no confidence in the accuracy of the data it stores.

When entering data to ADIMS it will only log client contacts as “formal” if certain fields are filled in. Due to the complex issues and state of mind of some clients it is not always possible to collect information on all the fields ADIMS requests. This leads to many data bounces. As a result, many “formal” contacts – where staff spent considerable time with a client – end up being recorded by ADIMS as “informal”, rendering the data inaccurate. The organisation views its own internal reports as much more accurate reflections of the activity it undertakes.

Another issue with ADIMS relates to how to define a closed episode of care. The nature of the service means that clients often remain in semi-regular contact with them. From a service perspective, this is an indicator of success, however when transferred to ADIMS it can look like a failure to close a service.

It was suggested that ADIMS either requires a new, user-friendly database, or organisations could be asked to provide summary reports on a six monthly basis – for example at the same time as ADS reports. Alternatively, the summary reports – based on internal records - could be submitted and cross-checked with the ADIMS data to check its accuracy.

Feedback from government

In the past the service received very little feedback from government. The current management believe the organisation would have benefited from more critical feedback from government addressing issues such as differences between contracted objectives and activity statements and the lateness of reports. The current management have been pro-active in initiating dialogue with government officers, aiming to ensure a good understanding of their own service as well as working to improve the overall service system.

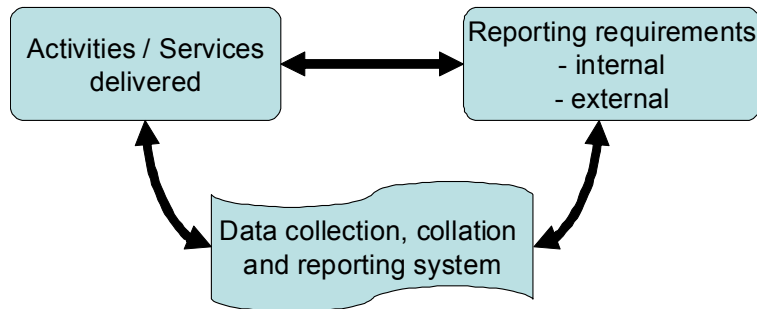
Redesigning the data collection and reporting system.

The diversity of services, funding streams, and internal and external reporting requirements and templates led to a complex and confusing array of forms and procedures that failed to accurately capture the activities they undertook.

A new senior management team identified the data collection and reporting system as a real problem for the organisation and undertook to redesign it. In a process that involved all levels of staff, they examined the activities/services they delivered and

Reporting, compliance and government paperwork

their internal and external reporting requirements, and developed a procedure to marry their activities and reporting requirements together in a more simple and streamlined system.



Features of their new system include:

- Simple, paper-based data entry forms that integrate the range of services delivered. These have been designed to be comprehensive but simple and user-friendly for both youth workers and the admin worker who enters the data into a spreadsheet. For example, there is a simple tick and flick activity sheet for recording basic information for each client contact throughout the day.
- On going systematic collection of all data has replaced instances of “snap-shot” data collection.
- The various internal and external report types can be generated relatively easily.
- Data collection systems, including a “flexible” database, can be modified much more easily to allow for changes in reporting templates.
- Staff are allocated reporting time in their workplans.
- Regular reviews of the system to ensure it continues to meet staff needs as well as reporting needs.

The investment of time to redesign the system was very significant, with lots of late nights spent. However, that investment is now paying off. Reports that previously took weeks and were a nightmare to prepare, searching for missing data, are now being done in less than a day and well ahead of their due dates. There has also been a 400% increase in their *recorded* level of activity, indicating the magnitude of the inaccuracies in the previous system.

Positive attitude

The CEO sees reporting as part of an obligation for public accountability, and aims to have external reporting align with internal reporting and evaluation, so that reports can feed into forward planning. Both government and service deliverers “Should learn from reporting and accountability. It should be seen as part of a continuous quality improvement process that is an integral part of the day to day business of running an organisation – not as an added impost that requires additional resources. Just like we have to pay *super*, have adequate insurances and pay taxes, it is part of keeping the doors of the organisation open.”

Data collection and reporting takes around 10-15% of staff time, but without it the organisation believes they would lack a basis to argue for the resources they need to provide their service. One manager saw it as “a necessary evil” that “keeps you honest as a service”. Providing accurate data to managers and the Board informs them both of the reality of service delivery and provides a better basis for strategic decision making.

Alignment – from organisation level to State Goals and Targets

Reporting, compliance and government paperwork

The CEO sees reporting as integral to achieving real health outcomes:

“Reporting should be linked to forward planning, feed in to research, and drive strategic responses, but for this to happen, reporting needs to be meaningful. We have no illusion about the fact that in order to achieve this, reports cannot be static and there may be a need for them to change from one [service] agreement to another, so we must be prepared to develop internal systems that allow for any reporting changes to be implemented with minimal disruption.”

“Overall, the Tasmanian Health Goals and Targets should be developed in broad consultation, based on contemporary evidence, and must drive the priorities for the sector, which includes community and government agencies. Our agreements and reporting mechanisms must eventually align and be consistent with common priorities and quantifiable targets.”

“Government or non government, we are accountable to our clients, but also to each other, for maximising public resources and *meaningful* introspective reporting can be one of the tools toward excellence.”

Organisation E – Medium to large, multi-service

Profile:

Staff: 60-70

Volunteers: 20

Annual Expenditure: \$1,000,000 - \$5,000,000

Programs Delivered: In-home aged and disability care, and day services

Funders: Commonwealth (Community and Flexible Care, Veterans Affairs, National Respite for Carers), State (HACC)

Geographic coverage: Regional

Organisation E delivers a range of services aiming to keep people in their home and out of expensive, institutionalised, higher care arrangements. The service offers clients an integrated service continuum, adapting to their changing needs as they age or their condition alters. In many cases this means changing from one funding stream to another, or to several, over time. The service aims to make the transition as seamless as possible for each client.

There are similar organisations delivering this type of integrated service, straddling multiple programs, throughout Australia. However, the system they operate in hinders such integration, rather than helping it. The government system appears to be program centric rather than client or service centric. For example, each of the four major programs funding the service has its own set of standards. Each has a great deal in common, and Organisation E believes a single core set of standards could be readily developed, perhaps with a few standards specific to each. The situation now is that services are separately audited to demonstrate compliance with each program. Policies and procedures that deal with practices common across each program are required to reference the standards of each separately. This creates unnecessary complexity and time wastage, without any improvement in service quality.

The separate data collection and reporting requirements of each program made reporting very time consuming and frustrating. It led the Board to approve a significant investment over time to develop a purpose-built IT system that integrates the following:

- Single entry data collection
- client information
- service provision details – time, travel, direct and indirect service provision
- staff rostering
- internal and external reporting – catering to various reporting templates, as well as one-off requests for specific information that comes periodically from sources such as government, University researchers or industry surveys
- billing
- wage and salary payments

The IT system has streamlined data management significantly and the investment is now paying off through time savings and the ability to accurately track, report and bill the services activities. The database at the centre of the system has an “open architecture” that was more expensive to develop than a “closed” system, but gives it the flexibility to adapt to changing internal and external reporting needs or to expand

Reporting, compliance and government paperwork

to new uses over time. This internal software system in part provides the organisation with the ability to navigate the uncoordinated funding system.

Important data not asked for in reports

The organisation collects and internally monitors a lot of information that is not asked for in external reports. One major concern is that reports do not capture the full costs of service delivery. The nature of in-home support involves a lot of “indirect” care such as coordination between clients, health providers and community activities, and at times regular phone calls to provide social contact and support. However, funders only allow reporting of “direct” service provision – time spent in direct contact with a client.

This leads to a distortion in the reported cost/client, and fails to reflect either the nature of the work or the full costs. Even travel time is not counted, causing a real concern that rural services, where travel is a more significant cost in time and vehicle expenses, will not compare favourably with more urban services. Even though there appears to be an implicit understanding of these costs by government, there is a genuine concern that these distortions may have adverse impacts on funding in the future.

Funding submissions

Organisation E is required to regularly develop submissions for recurrent funding as well as the growth of its service. Like program audits and reporting, separate submissions are required for each program. While this is perhaps unavoidable, there are a number of issues with the submission process that are seen as problems.

Major issues are created by the fact that government tendering processes are almost never released when planned. A typical scenario is for organisations to be told a tender will be released in May, but for that to be delayed till November or December. Often a number of tenders for different programs will be released all at once. A short timeframe to submit the tenders will be given. However, tenderers will be told that applications for a December deadline will not be processed till January after government staff take their Christmas break. Thus, governments are seen to have different, although perhaps more realistic, expectations of themselves than they have of service providers.

Typically there is then a six month response time before successful tenderers are announced. While this delay is normally manageable for recurrent funding, it makes planning and recruiting for growth very difficult.

At a practical level, the unpredictable timing of these submissions makes it very difficult to schedule leave arrangements of senior staff to coincide with the peaks in workload when submissions are due. On one occasion, only one senior manager, out of a normal team of four, was available to complete three major and very complex funding submissions.

Another issue is that there is no recognition of the existing track record of service delivery and compliance. The organisation must “start from scratch” in each submission, demonstrating its suitability and capacity. This is repetitious and frustrating. In addition, Australian government submissions have multiple sections that are each judged by an independent selection panel. This means that the same detail must be repeated in each section, as each panel only reads their own section, not the overall submission.

Appendix

Reporting Burden Case Study questions

Jan 2009

Organisation profile:

- Programs delivered
 - Funding sources (State, C'wealth, Philanthropic)
- # staff (admin/frontline/management) # volunteers (what roles)
- Approx annual expenditure:
 - <\$100K
 - \$100K – 500K
 - \$500K – 1M
 - >\$1M
- Regions serviced (local, regional, statewide)
- Organisational structure
 - Board, management, staff and volunteers

Reporting & Compliance:

1. What paperwork do you need to provide government in relation to grants you receive?
What reporting and compliance requirements do you have?
 - What does reporting mean?
 - What does compliance mean?
 - Do you report against outcomes or outputs?
 - Do you have to demonstrate compliance with against quality standards or similar?
 - Who completes the paperwork? CEO, Finance Officer, Frontline staff?
2. What impact does it have on you?
When is it a burden? How?
 - Admin
 - Service delivery
 - Costs (including time) – where are these born?
 - How regularly do you need to fill out govt paperwork?
 - What do you skimp on (if you have to)?
 - Differences between DHHS and Commonwealth?
3. How difficult are forms to complete?
 - main problems you face in providing or acquiring the information required?
 - Are government forms / templates designed to minimise your paperwork
4. What makes reporting difficult or a burden?
 - Time?
 - Skills?
 - Systems?
5. Are you reasonably well organised to gather and/or analyse data needed for reporting?
 - What systems do you have in place?
 - Are these used for internal monitoring or evaluation as well as external reporting?

Reporting, compliance and government paperwork

- What would you require to develop a system that works for you?
 - Infrastructure
 - Skills
 - Time

6. Do you have internal reporting processes that are different to your funder reports? Is internal and external reporting complementary?

Attitude to reporting

7. What is your attitude?

- What makes you think like that?
- What are the positives?
- Do you see reporting as an important obligation, beyond your legal requirements?
 - How so?
 - Who is it important for (eg funders, members, clients, community)?

Are any of the following issues for you? Discuss.

- Different funders all require different reporting. We need a different system for each.
- Staff are unhappy with the amount of reporting or form filling expected from them
- We are so stretched to meet community demand that time spent preparing reports is seen as robbing time from service delivery and therefore a waste of time
- Lack of feedback from funder
 - Cynicism as a result of lack of feedback
- Level of reporting required to demonstrate compliance with quality standards:
 - impacts on service delivery
 - has increased over time, increasing level of admin needed
 - There has been no increased funding to meet increased reporting required
- The standards and/or the outputs we report against reduce our flexibility to deliver our service in different ways
- Our staff spend time helping clients fill out their govt forms
- We struggle to afford the cost of auditing
- Our funder(s) do not understand the nature of our work
- There is a certain amount of 'fudging' in our reports, as we perceive there may be negative consequences of disclosing the full costs or the full range of the services we provide

How would you like to see the compliance and reporting system improved?

Changes you can make.

Changes DHHS can make.

If you could send one message to DHHS, what would it be?