Performance indicators

Review of current practice in the Australian disability services field

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Performance indicators

Review of current practice in the Australian disability services field

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Contents

Acknowledgments ..... **iv**

Introduction **1**

New South Wales **3**

Victoria **11**

Queensland **23**

Western Australia **31**

South Australia **43**

Tasmania **49**

Australian Capital Territory **57**

Northern Territory **71**

Commonwealth **75**

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Introduction

In 1999 the Australian Institute of Health and Welfare was commissioned by the National Disability Administrators to undertake a project that focused on integrating theoretical and practical approaches to indicating performance in the Australian disability services field. This working paper summarises a large amount of information provided by the administrators to the AIHW on current approaches in the disability field. These detailed summaries provide background material underpinning the main report on the project (AIHW 2000).

The project involved the development of a national framework in which current Australian practice in the disability services field can be viewed in the context of theoretical approaches to indicating supply, demand, input, output, outcome and performance. There were three components to the project:

1. Reviewing current indicators of supply, input measures, output measures, performance indicators and outcome measures, as well as indicators of demand available from population surveys, client assessment processes and jurisdictional coordinated data bases.
2. Reviewing relevant literature, as it applies to the community services field and the disability services field in particular.
3. Synthesising the two reviews, placing practical approaches in the context of more theoretical approaches to need, demand, input, output and outcome.

In May 1999 AIHW wrote to senior disability administrators in all Australian jurisdictions requesting information to inform the AIHW–DSSC Indicators Project. In particular, information was sought on:

- literature relevant to the project;
- high level policy statements that indicate priority areas for information needed, including statistical indicators;
- research examining links between provision of services and changes in the health and well-being of people with a disability;
- work on developing or testing indicators for disability services;
- measures or indicators of input, output, outcome, performance and demand for services.
- purchasing models for disability support services in use;
- purchasing or performance indicator models recommended by Treasury or the Auditor General;
- work occurring on performance indicators, relating to work done in the COAG/Productivity Commission context (other than that reported in the Productivity Commission report).
- examples of combining existing data into summary items or indicators.

In response to its request, AIHW received a large amount of useful information. After a time digesting and summarising the information, AIHW sent the preliminary summary produced for each jurisdiction back to that jurisdiction for feedback on the accuracy and comprehensiveness. Some further information and clarification was also sought at this stage.

The final summaries are presented in this working paper, for each jurisdiction. In preparing them, the AIHW also drew on material provided by jurisdictions in response to an information request conducted as part of a concurrent project on the redevelopment of the Commonwealth/State Disability Agreement Minimum Data Set. The summary for each jurisdiction is organised under three main headings:

- Structures: organisational structures, and funding and reporting models of relevance to disability services.
- Performance-related concepts: definitions of key terms and how concepts are put into practice.
- Data: data currently collected of potential relevance to performance measurement or indication.

The main report of the project has been published by AIHW:

Australian Institute of Health and Welfare 2000. *Integrating indicators: theory and practice in the disability services field*. Canberra: AIHW.

New South Wales

Structures

Whole of government funding and reporting models

The New South Wales Government is committed to output based funding, though this is not articulated in policy statements yet.

Disability programs funding and reporting models

The NSW Ageing and Disability Department (ADD) was created in 1995 as a 'purchaser of services', as part of a 'purchaser/provider split' from those departments involved in direct service provision (e.g. Department of Community Services (DoCS) and Health). ADD has had to develop policies, planning, monitoring and contracting processes as part of its regulatory role in the human services 'market' (ADD 1999a).

ADD administers the Disability Services Program (under the CSDA) and the HACC Program (under New South Wales HACC Agreement) and the smaller Ageing Program. Its responsibility is to plan, fund and monitor long term care and support services to older people and people with disabilities, their families and carers, within a strategic policy framework. ADD is also responsible for strategic policy and planning for these populations across the New South Wales Government (see NSW Attachment 1).

As a 'purchaser', ADD (in line with directions taken in other States) has been initiating a number of reforms aimed at establishing a more efficient and effective service delivery system. These include:

- Quantitative measurement of service performance, particularly through the definition of outputs by service type.
- Standardising the base of funding through unit costing, enabling a comparison of levels of outputs against levels of resources used (inputs).

ADD is moving towards the use of 'performance contracting'—using performance specifications to tie at least a portion of a contracted service's funding to their achievement (ADD 1999a).

There have been a number of studies on output based funding methodology undertaken for ADD and Treasury (the most recent of these are commercial-in-confidence).

An output based funding system, involving benchmark 'price per output' levels for service type (based on CSDA MDS service type definitions) is being developed. Output measures, such as hours of service and occasions of service are being used in the Population Group Planning (PGP) model. An output based system for HACC will be developed soon. The report of a consultancy commissioned by ADD in 1996 investigates issues relevant to the implementation of output based funding in New South Wales (Alt Statis 1996). A 1999 discussion paper on pricing and contestability sets out 'ADD's plan for introducing output based funding'.

Currently, service providers are required to perform self-assessment annually. Quite detailed information is collected, including assessment against Disability Service Standards and Service User views. A detailed manual, 'Standards in Action', is provided to help service

providers and stakeholders assess performance against the Standards. Separate self assessment packages are provided for DoCS large residential services, DoCS community based services, and non government service providers.

The Self Assessment Package for non-government service providers incorporates the quality reporting requirements of services funded under the New South Wales *Disability Services Act* 1993. Together with financial reporting required under the new Funding Agreement it forms a basis for recommending continuation of funding for services. A Self Assessment Package must be completed for each service outlet. (See NSW Attachment 2 below for more detail on information to be reported in self assessments.) It seems the self assessment package represents a consolidation of financial reporting requirements for NGO providers, under the new ADD Funding Agreement (1998/99). Previously there were two separate financial reporting processes.

Service models

Several consumer-focused models are in use. These include: individualised packages of crisis support for people with high and complex needs; Attendant Care Packages for people with physical and sensory disabilities; and Post School Options.

Quality standards, etc.

The ADD publication 'Standards in Action' is designed for service providers and stakeholders to guide the implementation of the New South Wales Disability Service Standards, and to help agencies complete their self assessment packages.

'Standards in Action' sets out each of the 10 disability services standards for New South Wales. Under each is a list of 'minimum standards' and 'enhanced standards'. There is also a list of 'practice requirements and guidelines', each of which is then explained, minimum practice requirements are specified, and examples of 'good practice' and 'poor practice' are given.

It is stated in the 1996 'Scoping study on unit costing and output based funding' that:

> All service providers are required to assess (or move towards assessing), clients in a manner which meets program outcome standards. Each client is expected to have an Individual Program Plan (IPP) or Individual Support Plan (IS) developed with the client, family and/or advocates. (Alt Statis 1996).

A recent monitoring process of HACC services in New South Wales used a modified version of the HACC National Service Standards, called the HACC checklist. It is a self-assessment tool, which consists of questions about organisational management, financial management, OH&S, insurance, service activities and outputs, service delivery policies (e.g. accessibility of information, privacy and confidentiality, grievances), etc. These data were not aggregated to program level.

Other issues

Heavy administrative requirements may disadvantage small, non-government service providers, relative to larger organisations (Alt Statis 1996). Program administrators interviewed said that output based funding systems could become excessively complex in terms of the way units of output are defined or measured, the way output payments are structured, and the data and reporting requirements of the system (Alt Statis 1996:53). To

avoid this, new systems should be developed in consultation with service providers and other sections of government involved in implementing the system.

Performance-related concepts

ADD has been conducting a considerable amount of research into output based funding, population group planning, classification of community care and support needs, etc. This work has involved examination of the conceptual foundations of different approaches to service delivery.

The development of an output based funding system for disability services has involved work on defining and measuring service **outputs**. The population group planning (PGP) model uses hours of service provided as a measure of output, except for transport and meals services, for which occasions of service is the measure.

In the self assessment package for large residential services 'outcomes' are defined at service level, and seem to relate most closely to the disability services standards. **Outcomes** are 'statements of what the service expects to achieve for Service Users in terms of enhanced lifestyles and facilitation of opportunities within the scope of the service' (ADD 1999b). There seems to be no link to higher level (e.g. program level) outcomes. However, this definition does seem to allow scope for outcomes to be specified in terms of the quality of life of service users.

Performance indicators are defined as 'concrete implementation measures by which the service can tell how well it has achieved the proposed outcomes…evidence of tangible progress or the feedback that demonstrates how the service conforms' (ADD 1999b). Performance indicators are standard measures that are comparable between service providers.

In the consultancy report on unit costing and output based funding, **outcome** is defined at the person level: 'a measurable change in (or preservation of) the quality of life of the consumer attributable to a service output received (or service intervention) or series of interventions' (Alt Statis 1996).

The 'New South Wales Supported Accommodation Program: assessment checklist' is a guide to factors agencies may address in their application for funding. It lists five outcomes, each with suggested indicators (same set of outcomes for 'accommodation' and 'support', but different suggested indicators). **Outcomes** are: (1) each resident is safe and secure; (2) each resident keeps as healthy as possible; (3) each resident has opportunities and choices; (4) each resident has his/her rights respected and meets his/her responsibilities; (5) each resident is connected with other people and the community. Thus, the outcomes are service-level outcomes, and the 'indicators' are statements about how the service is provided (e.g. 'each resident has his/her own bedroom', 'the service has effective grievance procedures').

In its response, ADD stated that 'consumer outcomes do not lend themselves to easy measurements, given that no single intervention/agency can be credited with their achievement'. 'Program proxies' can substitute for consumer outcome measures in some circumstances. A combination of approaches may be necessary, e.g. measures of client satisfaction, service content quality (does service meet client needs?), service delivery quality (is service timely and flexible?) and longitudinal studies of the impact of services on clients.

Consumer outcome indicator frameworks have not been developed in New South Wales because of the complexity of measuring outcomes. Some key indicators are suggested:
Time series comparisons: access, utilisation, systems and client satisfaction indicators.

Standards: standards/quality auditing, validation through 'self-assessment tools'.
Industry benchmarking: comparison of indicators to 'state averages' or 'best in class'.

It is stated that, instead of focussing on one particular methodology, outcomes are indicated by an aggregation of a number of indicators, detailing unit cost, volume of outputs, and quality levels achieved.

Data

Data needs identified

The Memorandum of Understanding on Joint Planning for Older People and People with Disabilities and their respective Families and Carers in New South Wales recognises a need for better data as a basis for service planning (see NSW Attachment 1).

What units of service are used for defining outputs?

The determination of output measures is central to the development of an output based funding system. Output measures are still being developed for some service types. For some services hours of support are used (e.g. supported accommodation). For other services instances of service are being investigated as units of output.

Options for units of counting for care events are discussed in the Classification of Community Care and Support Need (CCC) Discussion paper (see NSW Attachment 1). The options considered are: episode of need (may be a lifetime for some clients); episode of support and care (may be a lifetime); period of care (a defined period, e.g., 3 months, at the end of which time client is reassessed); day of care (all services received on single day); occasion of service.

What data sources are currently available/planned?

Relevant data sources, other than the CSDA MDS, include HACC MDS, Population Group Planning data, Acquittals, the Central Information System of ADD, and ACAT MDS

ADD has recently introduced a Population Group Planning (PGP) statistical data model with the potential to aid the understanding of service delivery networks relevant to older people and people with disabilities. It is anticipated that this tool will help different levels of government involved in service provision to jointly address needs in a more effective and cost-efficient manner. No information was provided concerning the nature of the model or details of the data used.

What measures of need/demand are used?

The principal method of estimating demand is Population Group Planning, which incorporates demand data from all four agencies who are partners in the MOU (see NSW Attachment 1).

The Population Group Planning Expansion Project (PGP) currently under way aims to quantify the service needs of specific populations (e.g. a specific disability group), irrespective of the program/s through which services are delivered. The project focuses on issues of supply, demand and service utilisation. The project will quantify services being received by each population and the contributions of different agencies. A resource allocation model will be developed to determine how resources should be distributed on the

basis of equivalent need (using variables such as age, living arrangement, socioeconomic status, etc.). Data collection is proceeding—utilising existing data collections (e.g. HACC) and new surveys, especially for health care. The product will indicate the number of service hours being received by each population and the contributions of the respective agencies. Results are expected to assist ADD in forecasting need and predicting costs over time.

Another current project, Classification of Community Care and Support Need (CCC), aims to develop a consistent classification of need to better inform consideration of supply and demand in human service planning for older people, people with disabilities and their families. It is expected to contribute to population group planning and performance management across the community care sector.

The Development of Service Provision Targets (SPT) project aims to identify service supply benchmarks for any given community according to demographic and service system profiles, building on the national SPT framework. This project complements the CCC project in that SPT focuses on attributes of services while CCC focuses on attributes of clients.

Materials drawn on

Ageing and Disability Department (ADD). EOI information kit and application form. NSW supported accommodation program: assessment checklist.

Ageing and Disability Department (ADD) 1998. Standards in action: practice requirements and guidelines for services funded under the Disability Services Act.

Ageing and Disability Department (ADD) 1999a. Pricing and contestability: a discussion paper.

Ageing and Disability Department (ADD) 1999b. Self assessment package for non government service providers.

Alt Statis & Associates 1996. Scoping study on unit costing and output based funding. Prepared for the New South Wales Ageing and Disability Department.

Centre for Health Service Development 1999. Classification of community care and support needs: discussion paper for members of the project steering committee.

Eckstein G & Campbell S. Population group planning for older people and people with disabilities: a joint Commonwealth/State project in New South Wales.

NSW HACC Checklist.

Memorandum of understanding on joint planning for older people and people with disabilities and their respective families and carers in New South Wales. 1998.

NSW Attachment 1

Joint Planning Projects

Under the Memorandum of Understanding on Joint Planning for Older People and People with Disabilities and their respective Families and Carers in New South Wales several joint research projects are being conducted. The partners to the MOU are the Ageing and Disability Department, New South Wales Health Department, and the Commonwealth Departments of Health and Aged Care and Family and Community Services—the Government Departments with primary responsibility for policy, planning and funding activities for older people, people with disabilities and their respective families and carers in New South Wales.

The MOU states that:

> There is a significant number of individuals residing in NSW who use multiple and inter-related services provided from a range of programs. It is in the interests of the agencies, service providers and service users that Departments are more able to map the location, type and capacity of these interrelated services.
>
> Various data holdings need to be consolidated to enable coordinated planning between government agencies. This planning will include the mapping of service gaps or overlaps where they occur, as well as service usage patterns across programs and geographic locations.

The collaborating agencies have identified short and long term outcomes to be achieved by the agreement:

Short term:

- identification of existing services and service gaps for the target populations;
- provide the basis for improved planning based on supply and demand for target groups of each Agency;
- agreement on the parameters of a model for sharing data and information, including the further development, use and review of the data produced; and
- a better understanding of the strategic directions of each agency in meeting the needs of their shared population groups.

Long term:

- reduction in the duplication of services;
- improved mix and appropriateness of services within an area;
- improved access for the target population to appropriate services;
- improved equity in the allocation of resources;
- closer collaboration between each Agency in the provision of services;
- measurable improvements in the service system; and
- capacity to improve and rationalise balance of care issues across sectors, including the private sector.

Under the auspices of the MOU, ADD and New South Wales Health have initiated a Classification of Community Care and Support Need Project. The Population Group Planning Expansion Project and the Development of Service Provision Targets (SPT) are also being conducted under the auspices of the MOU.

The Population Group Planning (PGP) project involves defining particular population groups and combining information gathered centrally and at local level to make better and more equitable resource allocation decisions. The population groups used for planning are people with disabilities acquired before age 65 (age 45 for Aboriginal and Torres Strait Islanders) and people aged 65 or over (45 or over for Aboriginal and Torres Strait Islanders).

The PGP approach attempts to quantify the service needs of a population irrespective of the program or programs through which those services are delivered, pooling data from various sources to calculate total service need. Data sources include existing collections (e.g. HACC) together with new surveys, especially for health care. Wherever possible, services are counted in direct client hours. The product will indicate the number of service hours being received by each population and the contributions of the respective agencies. The project will also deliver a resource allocation model under which a population of equal need should have access to an equal share of the available resources. The model will project a resource share based on a range of variables likely to include age, living arrangements, ethnicity, and socioeconomic status.

NSW Attachment 2

Self assessment package for non government service providers

A large amount of information is collected on the self assessment form, including: service outlet details, disability service type, target group, total number of service users, demographic details of service users (summarised), quantity of service provided, client fees, service access and service management.

The agency must state whether the Disability Service Standards have been met, detail any additional policies, practices and quality assurance mechanisms, and describe the process by which Service Users were able to participate in the planning and development of service delivery/policy.

Services that comply with the New South Wales *Disability Services Act* (1993) report progress and set new challenges for the next 12 months in a 'continuous improvement plan'. Services are required to detail the strategies by which they plan to achieve outcomes and the performance indicators that will be used to measure progress. The continuous improvement plan forms part of the service's Performance Agreement with ADD for the next 12 months and is reviewed by ADD at the next self assessment. 'Non-conforming services' are required to implement an approved 'transition plan' to move towards compliance, and must report any transition plan outcomes not fully met.

Service user feedback is provided as part of the self assessment. There are guidelines for how consumer feedback should be obtained (e.g. when evaluation is completed by service users as a group, an independent facilitator must be supplied by the service provider). A service user evaluation form is included in the package.

Victoria

Structures

Whole of government funding and reporting models

Since the recommendations of the Victorian Commission of Audit in 1993 there have been significant changes in financial management and associated reporting requirements. Currently Victorian Government reporting models are being enhanced by strengthening the importance of service quality measures and the evaluation of outcomes achieved by people accessing those services.

Victoria's first accrual output-based budget was in 1998–99. Other objectives currently being pursued include 'linking output delivery with government outcomes', 'budgeting on a full accrual basis for all costs of delivering outputs', and 'funding based on outputs to be delivered'. Whole of government level resource allocation decisions about which outputs to fund are based on each output's contribution to government outcomes. Since 1998–99, outputs and output groups have been fully costed on an accrual basis. Output delivery performance information, provided to central agencies for planning and budgeting purposes, is a significant component of the Cabinet decision-making process.

Published budget and reporting information includes: statement of assets and liabilities; income and expenditure statement; cash flow statement; and output group statement (these include descriptions of each output group and how the group relates to the Government's desired outcomes). Government is responsible for specifying the broad strategic outputs it wishes to fund and Ministers and Secretaries are responsible for purchasing outputs. Under these purchasing arrangements, departments have greater flexibility in managing the provision of services. The Victorian Department of Treasury and Finance (1997b) provides an 'output group statement format' to be used by Departments for budget proposals to Government.

Program level funding and reporting models

The whole of government output-based purchasing model has been adopted by the Department of Human Services (DHS). Currently, most services are delivered by agencies under funding and service agreements with DHS. Some services are delivered directly by DHS, including intellectual disability accommodation (see Victorian Department of Treasury and Finance 1999). The delivery of Disability Services in Victoria occurs within the whole-of-government output management framework. The Disability Services output group consists of 9 outputs. Disability purchases/provides services to clients within 8 of these. Within these 8 outputs, 18 discrete service activities are recognised for purchasing/provision purposes. (See Vic Attachment 1 below for details of outputs against which service activities are funded, and for Treasury performance measures.)

For each of the 18 service activities detailed specifications provide information about: objective(s); target group; priority access; outputs/performance measures; standards and guidelines to be complied with; monitoring and review; and guidelines for funding. Funding guidelines for each activity specify what is funded within the activity, what is not funded and what may be negotiated.

Psychiatric Disability Support Services are funded via DHS's Mental Health Branch and Early Childhood Intervention Services are funded through DHS's Youth and Family Services Division (i.e., separately from Disability Services) (See Vic Attachment 1).

Departmental planning processes set out priorities, initiatives and outputs that will be funded during the year. The Treasury Budget estimates also include targets for services to be funded for each output during the year (in terms of quality, quantity, and timeliness).

All funded services are monitored using performance indicators. All currently have 'output' quantity measures. Most service activities also have quality and timeliness measures, and some have cost performance measures.

Reporting requirements are currently specified in service agreements. Broadly, they consist of:

- Quarterly, half-yearly or annual performance measure reporting.
- Half-yearly or annual data collection. For activities funded by Disability Services, data are aggregated by agencies and reported to regional offices. Summary data are forwarded by the region to the program.

In general, the reporting requirements for agencies providing services funded by the Mental Health Branch are more detailed than those delivered under Disability Services.

Service models

There is a trend towards funding a variety of services via client-based funding models, including brokerage. A small number of agencies are funded, often across a region, to purchase services on an individual basis for referred clients. The referral process varies depending on the type of service being accessed. Mechanisms for referral include:

- assessment by DHS specialist children's services teams (referral to early intervention);
- assessment by DHS and other case managers (referral to Futures for Young Adults programs, accommodation support services, specialist behavioural services, other day programs);
- contact with respite coordination services (respite services).

Services currently funded using this method include day programs, flexible care packages, respite, in home accommodation support (attendant care) and early intervention.

Under the Futures for Young Adults program, a joint initiative of DHS and the Victorian Department of Eduction, services are funded on an individual basis, sometimes via a brokerage arrangement. Flexible Care Packages are designed to assist families and other unpaid carers of people with moderate, severe and profound disabilities by providing a flexible mix of services. These packages utilise case management and discretionary funds.

Community development services are funded using a model under which service provision is conceptualised at the level of the broader community. Providers are funded to work with other organisations to increase community-wide recreational opportunities for people with disabilities.

Psychiatric disability support services are accountable for ensuring that they provide the services for which they are funded and that their activity levels meet the service targets. In most cases, agencies that deliver at least 95% of the budgeted activity level will receive the full level of funding.

Quality standards, etc.

The Disability Services Quality Framework is aimed at improving client outcomes. 1999/2000 is the first year of implementation and providers will be required to submit 'Completion Reports' indicating that they have undertaken a Quality Self-Assessment against the Disability Services Standards.

The 9 Victorian Standards for Disability Services, developed from the National Standards for Disability Services, are the minimum operating requirements for government and funded non-government disability service providers in Victoria. For each standard there is a statement explaining the objective of the standard and a list of criteria to be met. For certain criteria the service provider is required to develop specific indicators.

In 'A quality framework for disability services' it is stated that 'service providers will be required to undertake self-assessment…evaluate service delivery against the Victorian Disability Service Standards. The self assessment process will be examined as part of the annual Funding and Service Agreement reviews.' The Department has produced a guide to assist service providers to evaluate their organisations' performance in relation to the criteria in the Standards. Service providers will be required to actively involve consumers in the self-assessment process. The Department will also conduct some reviews each year to verify self-assessment records. No information was provided about the extent to which these plans have been put into practice.

The Mental Health Branch is currently developing outcome measures to cover a range of services including the Psychiatric Disability Support Services. These measures are presently being piloted with a small number of service providers. The measures relate to the Victorian Mental Health Standards for Psychiatric Disability Services. The Mental Health Branch has conducted a pilot of a Consumer and Carer Satisfaction Survey with the aim of full implementation for the 2000-2001 financial year. The survey is the first of a suite of outcome measures being developed for Psychiatric Disability Support services.

Other issues

In its response Victoria stated that application of the whole of government output-based purchasing model has seen improved accountability of service delivery and greater transparency. However, the response also stated that, in respect of the Psychiatric Disability Support Services, the model does not reflect service provision. Psychiatric Disability Support Services are funded according to the number of staff plus program and service costs with the expectation that they will see a given number of clients per staff member. Most other disability services are funded according to the number of clients they are expected to see or the number of hours of service they are expected to provide.

In Victoria's response for Project 3.1 the implications of individual funding models for performance measurement were discussed. Under models such as Futures for Young Adults, funding is tagged to clients rather than providers. Therefore, to account for the funds used within the program it is necessary to track individual clients and the services they access. For service brokerage models the increased distance between the Department and the organisation which actually delivers the service (i.e., the provider selected by the funded brokerage agency) may impact on the accuracy and timeliness of performance measures.

Performance-related concepts

Programs at the whole of government level and within DHS have resulted in a large volume of material discussing issues such as output-based funding (including output specification

and costing), performance measurement, and data collection and management systems to meet information needs at different levels within the organisational structure.

The Victorian Department of Treasury and Finance (1997b) states that 'Departments are accountable for the delivery of outputs that contribute to intended outcomes. To assist decision making on which outputs Government is to fund, output information should clearly illustrate a link to outcomes.' The document includes a checklist for assessing the usefulness of performance measures and advice on how to measure quantity, quality, timeliness and cost of products and services delivered.

Outcomes are defined as:

> Government's desired or intended impacts/effects on the community. Outcomes are often achieved through a variety of outputs and other actions (e.g., legislative regulation of an industry). The cause-effect relationships between outputs and outcomes can be difficult to establish and measure. In some cases a number of different agencies may provide outputs that contribute to an outcome.

Outputs are 'final products and services delivered to an external party…Intermediate products and services may also be provided within a department as inputs to the eventual departmental outputs.' The document also states that 'outputs will need to be aggregated into manageable amounts of output information or output groups to assist planning, budgeting, performance monitoring and reporting. **Output groups** bring together outputs which contribute to common outcomes' and 'should provide a meaningful level of data aggregation for Government resourcing decisions and performance analysis'. Aggregated information on services activities for budget estimates is given against particular outputs within each program area. The document defines '**performance measures**' as 'measures of quantity, quality, timeliness and cost used to assess the production and delivery of outputs'.

Within DHS, current thinking conceptualises performance measurement as consisting of three dimensions: functional (i.e., levels within organisation structure), performance (i.e., objectives relating to each level) and measurement (what gets measured at each level). Emphasis is on the need to move away from only measuring outputs to measuring outcomes. 'Performance information' has been defined as 'types of evidence—quality, quantity, timeliness, and cost—used to gather data in order to assess performance'.

For 'disability services' the key government outcome is 'access to high quality services that advance the development and promote the dignity of people with intellectual, physical and/or sensory disabilities'. The disability services output group is described as 'continuing care and support services for people with disabilities, their carers and their families' (Victorian Department of Treasury and Finance 1999). The 9 outputs that comprise the group are categories of service activity within which services are funded, e.g., 'congregate residential care' (see Vic Attachment 1). These categories are used for program level reporting. For most of these 'outputs' high level reporting uses number of clients as the basic unit for quantity measures, rather than units of service.

Data

Data needs identified

New service funding/purchasing models, particularly individualised funding and brokerage models, have been identified as likely to cause difficulties with the MDS collection. There is potential for under- or over-counting of clients/service outlets. There needs to be a standard way of counting/tracking clients who receive services funded via a brokerage agency. Client

level data on type and location of service delivered would be useful in monitoring patterns of usage for brokerage services.

A project currently underway, the *Disability Services Information Strategy*, is aimed at developing a plan for an integrated system across the Disability Services Program, that meets information needs at all levels. The project will proceed in 3 stages, the first being a comprehensive assessment of what data are collected presently and how they are used, unmet information needs, etc. Stage 2 will identify the implications of Stage 1, in terms of information needs. This will include looking at information management infrastructure needed for client-focused funding, and information needed to reflect evolving output groups and performance measures. Stage 3 will be a technological solution to the information needs identified.

What units of service are used for defining outputs?

'Client' is the unit of measurement (quantity) for most activities, sometimes grouped by age. 'Hours of service provided' is used as the unit of measurement for a small number of activities. For advocacy and information services, measures include number of clients, attendances, hits on website per time period. Units of purchase are currently undergoing review. Options being explored include weighted units and a taxonomy based around items/episodes/cases/programs. Current operational definitions for these constructs are shown in the following table:

	Items	Episodes	Cases	Programs
Service recipient	individual client	individual client	individual client	defined population or sub-population
Type of service	single instance provided to individual clients	package of interventions to meet individual client needs	package of interventions to meet individual client needs	set of activities to meet agreed goals and objectives
Intake processes	—	intake assessment to determine client needs and define services provided during episode	intake assessment to determine client needs and define services provided that comprise the case	dependent upon definition of population and/or catchment
Duration	either short or long duration; duration **standardised** according to type of service	time-limited duration	ongoing care over a long period	—
Closure	clearly defined closure conditions	clearly defined closure conditions	no clearly defined closure conditions	—

What data are currently collected that are or can be used for measures of input, output, outcome, etc.?

The 'Disability Services Victoria Regional Reporting Framework 1999-2000' sets out data reporting requirements for each of the 18 service activities under the Disability Services Output Group, plus an additional category: peak disability service provider organisations. For each activity there is a brief description, and 'rules for data collection' are outlined. Data are usually snapshot, i.e., all consumers who are receiving a service at the end of each reporting period (for snapshot measures, counting rules allow for inclusion of clients who are temporarily absent, ie due to illness). Reporting periods vary for different measures (data are collected quarterly, half-yearly or annually). For some activities, the data to be collected

are not much broader than the Treasury performance measures (set out in Vic Attachment 1). For some activities the number of clients is broken down by age (e.g., <18, 18–64, >64). For 'aids and equipment' the number of people on the waiting list is also reported. For 'behaviour intervention support teams' the number of brief, secondary and tertiary consultations, and the number of short term and long term interventions are reported.

Agencies providing early intervention services are required to report to the Early Intervention Data Collection (in addition to reporting performance measures). Information includes client numbers, demographic details of clients, reasons why cases closed, referral information, primary concern at referral, service activity details (number of clients and number of hours against each activity), and non-direct service provision (e.g., management, administrative, etc.).

Reporting requirements for agencies providing psychiatric disability support services are quite detailed. Information to be reported at the end of each reporting period includes:

- Agency information and staffing (direct and indirect EFT staff).
- Service activity information—capacity (e.g., number of beds/places), type of service offered, number of clients, number of contacts during reporting period, etc.
- Client information—demographic information, living arrangements, primary diagnosis, other disability, whether clients have individual program plans, etc.

These data are collected electronically by agencies, using software provided by the Mental Health Branch. Summary data are kept in a central database and reported on by DHS (see *PDSS MDS analysis July–December 1997*). Service types covered are psychosocial rehabilitation day programs, home-based outreach support, planned respite and residential rehabilitation under the Community Care and Support Output Group, and mutual support/self-help, under the Prevention and Promotion Output Group. (See *PDSS Minimum Data Set (MDS) Database System User Manual).*

The performance measures for Mental Health Branch Psychiatric Disability Support Services are much narrower than the information collected under the reporting requirements.

A number of performance measures used are derived from existing data (e.g., the number of clients waiting for services from regional disability services client services teams uses combined/existing data to create a new single measure). Data reported under service agreements are aggregated by agencies and reported to regional office. Summary data are forwarded by the region to the program.

Data collections available/planned?

Victoria's response for Project 3.3 listed a number of current and planned data collections relating to disability services. The CSDA MDS service categories to which each collection relates are stated in the response. (See Vic Attachment 2, below.)

Disability Services maintains an administrative database recording client and service provider information in respect of clients receiving 'In Home Accommodation Support' (IHAS) services. Planning is under way for a respite database.

Service costing

In 1997, the Victorian Department of Treasury and Finance produced an 'output costing guide', which explained basic concepts (e.g., direct and indirect costs, relationship between cost and price, etc.) and provided a step-by-step guide to costing outputs and estimating

output costs for different volumes of production. Accurate costing is seen as critical to the successful implementation of accrual, output-based management.

Unit cost information is currently collected about CSDA services to evaluate cost-effectiveness. Unit cost is determined by dividing the total cost of providing the service (across multiple agencies) by the number of units of service provided. Detailed estimates of cost components are only able to be calculated for government provided services, and are still closely based on the build-up of input costs. Work is being undertaken in 1999/2000 to move to a 'next step' output based purchasing model and associated indicators.

In the *Budget estimates* paper total cost is given for each output group, broken down into employee-related expenses, purchases of supplies and services, depreciation, capital asset charge, and 'other'.

What measures of need/demand are used?

Some work has been undertaken in Victoria to develop 'statewide planning norms'. Distribution of resources for disability services is, in part, guided by the use of a formula which incorporates estimates of the number of people with severe and profound disability resident within the region together with weightings for specific factors such as socio-economic disadvantage, rurality and aboriginality.

Disability Services in Victoria operates a state-wide Vacancy Coordination system which is operationalised through the Service Needs Register (SNR), a module of the government Disability Client Information system. The system is used for prioritising urgency of need and ensuring that people are placed in appropriate services when vacancies arise. In some regions a formal review of all people with a registered need on the SNR is undertaken annually. Presently there are 3,602 individuals on the SNR waiting for a range of services, including shared supported accommodation, day programs, in-home accommodation support, or respite. Not all activities are presently incorporated into the SNR, the main exceptions being outreach, short-term, specialist services (e.g. training centres) and some state-wide support services.

Needs assessments and related survey processes are undertaken annually by regions with regard to Psychiatric Disability Support Services.

Materials drawn on

Disability Services Victoria 1999. Regional reporting framework 1999-2000.

Victorian Department of Human Services (DHS) 1997. Mental Health: psychiatric disability support services minimum data set (MDS) analysis July—December 1997.

Victorian Department of Human Services (DHS) 1998a. Aged, Community and Mental Health Division purchasing framework, 1998-99.

Victorian Department of Human Services (DHS) 1998b. PDSS minimum data set (MDS) database system: user manual.

Victorian Department of Human Services (DHS) 1999a. A quality framework for disability services.

Victorian Department of Human Services (DHS) 1999c. Victorian standards for disability services.

Victorian Department of Human Services, Disability Services 1999. Disability Services information strategy.

Victorian Department of Treasury and Finance 1997a. Output costing guide.

Victorian Department of Treasury and Finance 1997b. Output specification and performance measurement guide.

Victorian Department of Treasury and Finance 1997c. Reform of the budget sector: elements of financial management.

Victorian Department of Treasury and Finance 1999. Budget papers: Department of Human Services Budget estimates 1999-2000.

Vic Attachment 1

Outputs against which services are funded

(See response for Indicators Project and DHS Budget estimates 1999–2000.)

The delivery of Disability Services in Victoria is within the whole-of-government output management framework. The Disability Services output group is described as 'purchase and provision of continuing care and support services for people with disabilities, their carers and their families'. The key government outcome for the group is 'access to high quality services that advance the development and promote the dignity of people with intellectual, physical and/or sensory disabilities'.

The Disability Services output group consists of 9 outputs, and services are delivered to clients within 8 of these. Within these 8 outputs, 18 discrete service activities are recognised for funding purposes. Each service activity has a standard service specification that incorporates the objectives, goals, target group and a set of performance measures. Psychiatric disability services are funded under the Mental Health Services output group, and early intervention services are funded under the Youth and Family Services output group (see budget estimates paper for key government outcomes and descriptions for these output groups).

The DHS Budget estimates 1999–2000 give details of the outputs to be provided to government. Total cost is given for each output group, broken down into employee-related expenses, purchases of supplies and services, depreciation, capital asset charge, and 'other'. Performance information (quantity, quality and timeliness) is given for each output.

The Psychiatric Disability Support Services performance measures are essentially the same as the Treasury Performance Measures (e.g., number of clients), but for some activities there are additional measures, as follows:

- Home based outreach support: number of registered contacts.
- Residential rehabilitation: number of bed days.
- Training, research and development: number of staff days in training.
- Prevention and promotion: number of contacts.

The 1999/2000 Early Intervention performance measures for specialist children's services are: total number of clients participating in the program, % of clients receiving initial contact within 2 weeks of referral; % of family support/preschool support plans meeting agreed goals at review period; % of Children's Services Program Standards which have been implemented by agency.

Outputs, service activities and Treasury performance measures

Output	Service activity	Treasury performance measures
Output group: Disability Services		
Congregate residential care	Training Centres	Quantity: no. of clients in training centres Quality: % of clients with appropriate day activities; % of total accommodation and support clients in Training Centres
Community Based Accommodation and support	In Home Accommodation Support; Accommodation Outreach Support; Shared Supported Accommodation; Family Options	Quantity: no. of clients in community based accommodation support services Quality: % of clients successfully achieving the majority of objectives in their Program Plan
Community Access	Day Programs; Recreation; Therapy; Respite Coordination	Quantity: no. of clients with day activities; no. of 'Futures For Young Adults' clients Quality: % of clients successfully achieving the majority of objectives in their Program Plan
Equipment Services	Equipment Services	Quantity: no. of aids and equipment items supplied; no. of clients accessing aids and equipment Quality: % of referrers satisfied with response to clients' needs
Respite Services	Respite	Quantity: no. of carer households provided with a respite service Timeliness: % of respite information provided to client within 3 days
Case Management & Brokerage	Case Management; Flexible Care Packages; Client Services - Assessment, Planning & Justice	Quantity: no. of clients receiving case management services through client services teams; no. of clients receiving flexible care packages Quality: % of clients achieving the majority of objectives specified in their Program Plan Timeliness: % of clients waiting less than 3 months for a case management service
Specialist Services	Criminal Justice; Behaviour Intervention Support Services	Quantity: no. of clients receiving a service Quality: % of clients successfully achieving the majority of objectives in their Program Plan Timeliness: % of clients waiting less than 3 months for specialist services

Continued…

Outputs, service activities and Treasury performance measures (continued)

Output	Service activity	Treasury performance measures
Output group: Disability Services (continued)		
Information Advocacy Services	Information; Advocacy Services	Quantity: no. of clients receiving advocacy support; no. of visits to the website Quality: % of websites compliant with appropriate guidelines for accessibility
Quality Improvement Services		Quantity: no. of research projects funded Quality: % of eligible providers participating in a quality self assessment process
Output group: Mental Health Services		
Community care and support	Home based outreach support; residential rehabilitation; psychosocial rehabilitation day program; planned respite	Quantity: no. of clients in residential rehabilitation; no. of clients in home based outreach support Quality: % improvement in consumer and carer satisfaction
Prevention and Promotion'	Mutual support/self-help/information/advocacy	Quantity: no. mental health week events
Training, research and development	Training, research and development	Quantity: no. mental health academic positions sponsored; no. post graduate nursing placements (mental health)
Output group: Youth and Family Services		
Family and Individual Support: Early Intervention Services for Families	specialist children's services (non-government sector only); specialist children's services teams (government sector only).	Quantity: total no. of clients Quality: services that have implemented program standards for Specialist Children's Services

Source: Budget papers: Department of Human Services Budget estimates 1999-2000, and response to Project 2. Vic Attachment 2

Summary of disability related service data collections in Victoria

(The following is based on Victoria's response for AIHW–DSSC Project 3.3)

Service Agreement Management System (SAMS)

Human Services operates an electronic Service Agreement Management System (SAMS) which contains details of all service agreements between the Department of Human Services and its NGO providers. This collection records performance and financial data (by service activity and agency) together with generic agency information. Information from this system is used to enumerate the population of agencies included in the CSDA-MDS. Presently, the data do not include government delivered services and services delivered under corporate contract.

MDS Service Types Included: all

Disability Services Regional Reporting Framework Data Collection

Disability Services requires funded agencies to submit data returns in respect of its service agreement data collection (see *Disability services regional reporting framework*). The SAMS performance monitoring data is a subset of this collection.

MDS Service Types Included: 1.01-1.06, 2.01-2.02, 2.05-2.10, 2.12-6.04

Disability Services Information Strategy (planned)

Disability Services is planning to implement an information strategy which is likely to include ongoing collection of client level data from most CSDA funded services. This collection would link clients to the services they receive and enable analyses by client and services. (See *Disability services information strategy*).

MDS Service Types Included: 1.01-1.06; 2.01-2.02, 2.05-2.10, 2.12-6.04

DISCIS (Disability Services Client Database)

Disability Services maintains a complex case management database which records detailed information necessary for the management of its clients. Client records are updated on an ongoing basis and statistical and other reports can be produced as necessary. The database relates only to clients registered under the *Intellectual Disabled Persons Services Act* and clients on the Service Needs Register, a planning and resource allocation tool.

MDS Service Types Included: 1.01-1.03 (partial), 1.05 (partial), 2,07-2.08 (partial), 3.01-3.02 (partial), 4.02 (partial).

Psychiatric Disability Support Services (PDSS) Data Collection

Half-yearly data collection completed by service outlets in respect of Psychiatric Disability Support Services (included in the CSDA-MDS but not part of Disability Services).

MDS Service Types Included: 1.05 (partial), 1.07, 2.03, 2.11, 3.03, 4.04 (partial)

Youth and Family Services (YAFS) Data Collection

Regular data collection completed by service outlets in respect of Early Childhood Intervention (YAFS). These services are included in the CSDA base population but are not part of Disability Services.

MDS Service Types Included: 2.04

Queensland

Structures

Whole of government funding and reporting models

The Queensland Government 'Managing for Outcomes' program requires all government service provision agencies to identify and cost outputs, review them in relation to government endorsed outcomes and identify performance measures and targets for reporting. All this was due to be in place for the move to an accrual output budget in 1999–2000.

The whole of government Community Services Strategy is under development, and expected to make recommendations concerning output based funding, accountability, etc. No information is available at present.

Treasury guidelines for grant administration state that, where possible, program objectives should be measurable and the time frame for achievement should be specified. For each objective there should be reliable and relevant measures of input, output and impact (outcome). Input and output measures can usually be produced as by-products of service delivery and might be incorporated into reporting requirements for grant recipients. The Auditor General's review of the administration of grants and subsidies (Audit report no. 6 1998–99) suggests 'explore alternative funding mechanisms that link payments to demonstrated performance'.

In a section on monitoring arrangements, the guidelines state that, for larger grants for current purposes, it is preferable to specify outputs rather than resource inputs or operational approaches. Reporting for larger, one-off grants should focus on financial measures linked to specific milestones or operational targets (e.g., in relation to establishment of physical infrastructure, purchase of equipment or commencement of services). Reporting on smaller grants will generally require the recipient to demonstrate that the grant has been used for the purpose intended. Where possible, independent evidence of costs should be obtained before payment.

Disability programs funding and reporting models

The Department of Families, Youth and Community Care (FYCC) is about to develop a 5-year Disability Sector Workforce Plan. This document is planned to examine the numbers and types of staff, and the training and skills required by these staff across the disability sector in Queensland.

FYCC has a standard service agreement completed by all non-government organisations (the 'Moving Ahead Program', an individual-based post-school options program, has its own arrangements). No information from service agreements is currently covered or included in the CSDA MDS. Part 3 of the service agreement covers 'measurement and service performance'. It states that 'appropriate service records will be maintained', that data from those records will be used by the Service to monitor performance against performance indicators, and that a written assessment of performance will be provided annually to the Department. (Details of service records, data and the written assessment of performance are not specified in the standard form—these are left to be filled in.) The explanatory notes give

some loose guidance on records that should be kept. They state that 'organisations should also maintain appropriate financial records to enable them to meet accountability requirements'. 'Performance indicators relate to what your service is achieving, including how busy it is. These indicators need to be linked to objectives if you are to gain the information which is most useful to your service planning, monitoring and review activities.'

At this stage, there has been little progress towards implementation of output based funding and performance reporting in government disability services. The extent of reporting for internal use within non-government disability services is not known.

The Department is currently developing performance reporting requirements to fit in with the 'Managing for Outcomes' framework. A list of proposed performance measures (classed as quality/effectiveness, quantity and timeliness) for each of the 4 disability-specific outputs (accommodation support, community support, community access and respite) is provided (see 'Common reporting measures' and Qld Attachment 1, below). The level at which responsibility lies (program or region), frequency of collection (annually, quarterly, etc.) and whether direct (government provided) or funded (non-government provided) are specified for each measure. An additional table gives method of data collection and reason for collection for each measure. Only a very small number of these measures are reported currently, on a monthly or quarterly basis.

Data on inputs and outputs relating to funded individuals are aggregated to provide program-level performance information.

Funding guidelines for the disability program are set out in a reasonably detailed and comprehensive document outlining responsibilities of purchaser (Department) and provider, eligibility criteria and conditions for funded organisations, eligible costs, accountability requirements, etc. There are plans to move to triennial agreements with service providers to provide funding certainty.

A study of actual operating costs of disability services produced data on breakdown of costs and recommendations concerning more appropriate approaches to funding (including clear separation between funding for support costs relating to an individual and operational costs) (DFYCC 1999b).

Service models

The Disability Program is moving towards individual funding for new funding (block grants remain for existing NGOs).

Local Area Coordination (LAC)—a combination of case management, brokerage, and community development, etc. LAC is being piloted in five rural areas in Queensland, and will be implemented progressively. It originated as a service model in Western Australia in 1987. In Western Australia consumer-managed funding is facilitated, supported and monitored by the local area coordinator, who also has a limited 'discretionary' budget from which one-off funding can be allocated to individuals. The role of a local area coordinator (as layed out in material provided by Queensland) includes assisting people with disabilities and their families to access formal services and purchase their own supports via direct consumer funding, and to monitor the quality and quantity of services and supports (though it is unclear how coordinators are to assess quality). The development of an information management system was listed as a 'task' as part of the pilot program. The material provided by Queensland indicated that, in Western Australia, performance measures are used to assess the effectiveness of individual local area coordinators. The LAC pilot is part of broad reforms in the disability program in Queensland.

Adult Lifestyle Support is a model under which funding for a funded individual is paid to a nominated disability support service which will provide or coordinate the required services (i.e., individual-based funding). The registration form for this program allows for detailed description of the person's disability, needs and current situation. There is also a 'goal statement'—the applicant should record their most important goals that relate to changing/improving their current situation. This is to assist in support planning and coordination of services (i.e., there is no suggestion that 'outcomes' will be assessed against these goals).

The 'Moving Ahead Program' (MAP) is a post school transition program. An individual may receive funding under the program for up to 2 years and up to $16,500. The funding in respect of an individual goes directly to service providers, but is portable between services. An Individual Service Plan is developed which includes the individual's vision and goals. Progress against goals is assessed at 12 months. Also, an individual program report form is used to record aspects of individual budget and total support hours (one-on-one and group) provided in each quarter, amongst other information. It is not clear what happens with this information.

Apart from the individualised funding component of Disability Program funding, disability services are currently funded on a subsidy basis using block grants rather than output based funding—the amounts of funding for an organisation are determined mainly on historical precedence and indexation. Funding/purchasing arrangements are to be examined as part of the creation of the new Disability Services Agency due to be in place by the end of 1999.

Quality standards, etc.

Client 'service standards' (for intellectual disability services) were developed after consultation, based on a model used in Victoria. There is an accompanying document on Service Standards Monitoring, although no measurement is conducted against the standards at present.

Consultation with consumers, service providers and representative groups (using questionnaires and focus groups) is currently being conducted as part of the development of a 'Quality Framework for Disability Services' for government and community-based services. It looks like this might result in a statement of vision, values, principles, broad goals and strategies aimed at improving service quality.

Performance-related concepts

The Department of Families, Youth and Community Care's benchmarking study of service operating costs was conducted in response to a perceived need for greater disclosure of financial and service provision information. In the report **performance information** is defined as 'evidence about performance that is collected and used systematically. Evidence may relate to appropriateness, effectiveness and efficiency. It may be about outcomes and what can be done to improve them, and may include evidence about the extent to which outcomes can be attributed to an intervention'. 'Performance information may be quantitative (numerical) or qualitative (descriptive). It should be verifiable. Its usefulness is enhanced by applying standards and other types of comparison that allow judgements to be made about the extent to which interventions are achieving desired results.'

Queensland Treasury defines a long list of performance-related terms in 'Managing for outcomes' and related documents. **Performance measures** are defined (more narrowly than 'performance information' above): 'Quantifiable units of measurement used to determine

and assess the delivery of outputs. They establish how performance will be judged for each output by translating it into a measured value of quantity, quality, cost, timeliness and where appropriate, location.'

Queensland Treasury defines **outcomes** as 'the effects on, or consequences for, the community, of the services and products (**outputs**) purchased by the Government'. It states that, in some cases, 'output performance measures may also be outcome indicators'.

In 'guidelines for grant administration' (Queensland Treasury 1997) it is stated that '**impact measures** (sometimes known as **outcome or final output measures**) assess the extent to which the scheme is securing its wider goals and objectives'. It is acknowledged that identifying impact or outcome measures is not always easy, but is important for establishing the benefits of a scheme. While grant recipients might be expected to report on input and output measures, produced as a by-product of service delivery, impact measures are likely to be less readily produced. Grant funded organisations should be consulted about the collection and interpretation of impact measures.

In Queensland Treasury's 'Managing for outcomes' documentation there is a clearer distinction between outputs and outcomes. **Outputs** are defined as 'discrete services or products produced by agencies and purchased by the Government, for external customers and consumers'. **Outcomes** are defined as 'the effects on, or consequences for, the community, of the services and products (outputs) purchased by the Government'.

'**Output classes'** are defined as 'a logical group of outputs that contributes to a common service or product, has the same customers, and usually relates to the same outcome'. (This perhaps suggests that outputs might be defined at different levels, and that an output—i.e., service or product—may be composed of lower level or intermediate outputs).

Data

What data are currently collected that are or can be used for measures of input, output, outcome, etc.?

Financial data: quarterly financial returns are completed by all providers. Currently these only give known government contribution to NGO service provision, not full cost of services. Information on fundraising contribution is expected to be difficult to collect, in part because service providers tend to be reluctant to provide information on non-CSDA funding sources.

Under MAP, proposed service providers supply anticipated costings of services identified in the Individual Service Plan. Quarterly individual program reports record aspects of individual budget and total support hours (one-on-one and group) provided in the quarter. A monitoring process has been developed to oversee the program, identify issues that arise, improve accountability, assist services to develop appropriate administrative practices for individual funding, etc.

What data sources are currently available/planned?

'Scoping documentation' to develop a Client Management System for the Disability Program is currently being developed. The extent of information collection is not yet fully known. It is also not currently known whether this database will be an ongoing data collection or the extent to which it will include government and non-government organisations.

Each funding model captures its own data on client details, service provision, funding sources, etc. Standardised definitions are used, but there is no standard way of collecting or recording data. The planned Client Management System would cover all Disability Programs clients, regardless of source of funds.

Service costing: what attempts have been made and what difficulties identified?

A study of actual operating costs of disability services was conducted to look at the operating costs (including funding and expenditure breakdown) at individual service level, in relation to service type, number of clients and level of support needs of clients (from CSDA MDS data collections). Its aim was to provide a basis for developing a more appropriate, flexible and transparent funding formula for disability services. One major conclusion was that there should be a clear separation between funding for support costs of an individual and operating costs required to ensure service viability.

What measures of need/demand are used?

ABS and AIHW published figures are used. Also a needs registration process to prioritise applicants for Adult Lifestyle Support Packages provides some information on need. The registration form asks questions about support needs and how long the person has been waiting for funding. This information has been used as an indicator of demand for services for adults. DFYCC is currently investigating how to capture similar information for families and young adults.

A tool for measuring support needs was trialed during 1998. As well as individual reports, management reports were produced to provide a support profile across the State. This information was also relevant for establishing service benchmarks.

Support Needs Register—unmet and partially met need. Also, a 'regional needs register' is noted as a key element of reforms focused on individual need, along with consistent individual needs assessment, and consistent processes for prioritising need.

Materials drawn on

Department of Social and Preventative Medicine, University of Queensland 1999. Developmental disability unit. Report to the Department of Families, Youth and Community Care & Queensland Health.

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Department of Families, Youth and Community Care 1998. Draft funding guidelines for the disability program.

Department of Families, Youth and Community Care 1999a. A quality framework for disability services in Queensland: have your say.

Department of Families, Youth and Community Care 1999b. Benchmarking study of service operating costs.

Department of Family Services and Aboriginal and Islander Affairs. Intellectual disability services: service standards.

Queensland Audit Office 1999. Auditor General's report to parliament. Review of the administration of grants and subsidies. Audit report No.6 1998–99.

Queensland Treasury 1997a. Guidelines for grant administration.

Queensland Treasury 1997b. Managing for outcomes in Queensland.

Queensland Treasury 1997c. Managing for outcomes: output costing guidelines.

Queensland Treasury 1997d. Managing for outcomes: output specification guidelines.

Queensland working party on performance measures. Agenda item: common reporting measures.

Qld Attachment 1

The Department of Families, Youth and Community Care is examining internal departmental reporting measures using the Managing for Outcomes framework.

The departmental Disability Program performance reporting requirements are currently being developed, and to be reported on a monthly and quarterly basis as follows:

- Number of injuries to clients and staff as a result of seriously disruptive behaviour.
- Number of hours of direct client contact per month for community teams and therapy staff.
- Number of bednights in departmental respite facilities lost due to placement of people with challenging behaviour and long term/abandoned people.
- Number of homeless/emergency cases.
- Number of clients receiving 1-8 hour, 9-16 hour and 17-24 hour accommodation support from government provided services.
- Number of people leaving Basil Stafford Centre (large residential/institution service).
- Number of Moving Ahead Program clients (post school options).
- Number of people receiving accommodation support.
- Number of people receiving individual Adult Lifestyle Support.
- Number of people receiving community access.
- Number of people receiving community support.
- Number of people receiving respite services.
- Proportion of adult registrants of need not able to be funded.
- Proportion of Adult Lifestyle Support funding packages implemented by the agreed date (set by the Minister).
- Proportion of Moving Ahead Program funding schedules implemented by the agreed date.
- Proportion of Local Area Coordination pilots commenced by the agreed date.
- Proportion of respite services developed by the agreed date.
- Proportion of community grants distributed to regions according to needs based formula.
- Number of service agreements where departmental assistance was able to be provided, as a proportion of those which required departmental assistance to complete.
- Proportion of clients who have individualised funding, who are living in financially viable accommodation support arrangements.
- Number of children with disabilities in care who are to turn 18 within the next 12 months.
- Proportion of funded services where the service agreement matches the current funding.
- Proportion of clients in departmental accommodation facilities receiving at least 5 hours per week of day options.
- Proportion of clients with current individual support plans (current means within the last 12 months).

- Proportion of clients who access departmental; respite facilities whose personal profiles are not current.
- Number of families receiving funding under the Family Support initiative.

(Source: Queensland response for project 3.3)

Western Australia

Structures

Whole of government funding and reporting models

State Treasury has been extending the implementation of Output Based Management with full quarterly reporting from financial year 1999-2000. Implementation has been an incremental process—the Disability Services Commission (DSC) is now one of two agencies in Western Australia that has been chosen by the Treasury for inclusion in the Model Agency Program which is designed to promulgate, develop and apply Output Based Management principles. DSC is currently developing its second Business Plan, using Output Based Management principles as its foundation.

Agencies report performance indicators separately to the Office of the Auditor General (OAG) and Treasury (DSC 1998c). Treasury has indicated that it will require monthly output reporting from next financial year.

Disability programs funding and reporting models

The Western Australian Disability Services Commission was established in 1993 under the Western Australian *Disability Services Act* (1993). The DSC is responsible for policy and program development and service planning in all areas that affect the rights and needs of Western Australians with a disability (DSC 1999). It is made up of seven Directorates. The Policy and Planning Directorate is the funder. The Service Purchasing and Development Directorate is the purchaser of all DSC-funded non-government services as well as services provided directly by the DSC through the remaining five directorates: Accommodation Services; Medical and Specialist Services; Metropolitan Services Coordination; Country Services; and Corporate Management. Services provided directly by the DSC are delivered through a regional structure.

DSC's program structure has recently been simplified, following the recommendations in the DSC's 'Review of Performance Indicators', conducted in 1998 in response to changes in performance reporting requirements by Treasury and the Office of the Auditor General. The DSC's functions are now structured under three key output groups:

- Client services;
- Individual Coordination; and
- Strategic Coordination.

Each output group corresponds to an outcome, and consists of one or more outputs (See WA Attachment 1).

Previously, DSC's program structure consisted of three program areas, each with three sub-programs: Accommodation and Community Home Support; Individual and Family Support; and Community Development and Services Improvement. In DSC's 1997–98 Annual Report, indicators of effectiveness and efficiency were presented for each program area. These measures included consumer satisfaction with service, proportion of target population accessing service, and measures of cost. While the new outputs are not strictly comparable

with the previous outputs, it is possible to recalculate and re-aggregate some of the previous outputs to show trends.

NGOs are required to report on 'Output measures of performance (performance indicators)' under their contracts with DSC (see WA Attachment 2).

Service models

New service models mentioned in WA's response for Project 3.1:

- Individual Options and Multiple Support Services.
- Local Area Coordination (LAC).

Local Area Coordinators employed by the DSC provide service brokerage to help people access the services they need within their local communities.

Quality standards, etc.

Agencies are required to report the extent to which the National Disability Service Standards are met ('Schedule B'—see WA Attachment 2). This is to be assessed via Self Assessment and Monitoring, but may no longer be compulsory (according to Western Australia's response).

'Running with the Standards' summarises 15 projects, all relating to the application of the Disability Service Standards. The purpose, description and outcome of each project are given briefly. Some projects aimed to develop detailed, service-specific policies concerning application of the Standards.

Periodic Service Reviews (PSRs) are being introduced as a total quality assurance system for provided accommodation services. PSRs provide a tool to help maintain and improve the quality of services through the development of consensually-derived, task-based performance standards, which are self-monitored on an ongoing basis and summarised at the end of each month. They allow the quality, effectiveness and consistency of services to be assessed, and can be used to stimulate higher performance levels within an organisation and to identify staff training needs. DSC aims to have all provided accommodation facilities covered by the end of the 1999–2000 financial year. Theoretically, when standards and the PSR system are fully established it should be possible to aggregate PSR data to provide quality performance indicators for residential services.

Mainstream services:

Under the *Disability Services Act* (1993) State Government agencies and Local Governments must develop and implement a Disability Services Plan that will further the principles of the *Act*. DSC must oversee the process and evaluate the effectiveness of the initiative. An evaluation plan has been established and involves public authorities providing annual self reports and undertaking their own evaluation processes, as well as independent evaluation of DSC's role and of the impact of Plans on accessibility of foods, services and facilities provided by public authorities. There are five key outcomes that provide a framework for planning and assessing Plans. They involve ensuring that services are accessible and meet the needs of people with disabilities, that staff understand the needs of people with disabilities and that people participate in public consultation, grievances mechanisms and decision making processes. Background information and results of the first round of evaluation are presented in a report (Disability service plans—creating accessible communities: first progress report).

Other issues

Western Australia's response comments that while the Output Based Management model enhances planning, reporting and output based decision-making its principles are not easily translated into the human services, tending to obfuscate the human dimensions of such services.

The response also includes detailed comments on each of the Productivity Commission's performance indicators (see WA Attachment 3).

Performance-related concepts

The Review of performance indicators provides an in-depth discussion of performance measurement concepts, within the context of organisational structures in WA.

Performance indicators are defined as 'measures of achievement used to assess overall performance and the success of programs in terms of efficiency and effectiveness'. The term 'performance' refers to the achievement of planned outcomes, so PIs tend to be percentages, rates, etc.—measures of the extent to which outcomes have been achieved. PIs are designed to indicate (i.e., to 'point out' or 'give ground for inferring'). This function is distinguished from the idea of 'measurement', which implies some degree of precision—this is not the function of PIs. PIs are not definitive, self-explanatory measures—they need careful interpretation.

A simple, hierarchical view of performance indicators is put forward. Effectiveness indicators relate to outcomes and are the principal concern of Parliament and the OAG. Efficiency indicators relate to outputs and are the principal concern of Treasury. Operational indicators relate inputs to activities or workloads and resource deployment, and principally concern the daily management within the agency (See WA Attachment 4.)

Efficiency indicators relate inputs to outputs (e.g., cost per unit outputs). Treasury principally requires efficiency indicators that report on outputs in terms of cost, quantity, quality and timeliness. Efficiency indicators are usually straight forward to calculate (although timeliness indicators can be problematic for human service agencies).

Effectiveness indicators relate inputs and outputs to outcomes—what has been achieved by the agency's programs. It can be difficult attributing outcomes to particular services. The degree of difficulty in relating outputs to outcomes depends on how much control the agency has over the outcomes, and how closely the outputs are related to the outcomes.

Specific PIs for the three program areas (client services, individual coordination and strategic coordination) are proposed. The PIs were developed so as to make use of existing data collections, meet OAG and Treasury requirements and form an integrated structure of performance information. Each PI is assessed against a list of desirable characteristics of PIs (relevant, valid, consistent, quantifiable, comparable, unbiased, reliable, verifiable and appropriate).

The proposed PIs are set out in three diagrams, one for Treasury, one for OAG and one for operational PIs. Each diagram has the same form: indicators of quality, quantity, timeliness, cost and effectiveness at each of three levels (DSC, program and sub-program). A brief explanation of construction of each indicator and data to be used is given.

'Schedule B', attached to non-government agency Purchasing Agreements (see WA Attachment 2), sets out a list of 'outcomes' for each service type (these are statements about quality of life). NGOs are required to report on 'Output measures of performance (performance indicators)': hours of service provided; number of people provided with a

service; extent to which the National Disability Service Standards are met; and extent to which outcomes are achieved.

Data

What units of service are used for defining outputs?

Service users are used for defining outputs. Hours of service are being compiled for funded services for the first time this year as part of acquittal of purchasing agreements.

Hours of service for the 'snapshot week' and for the whole year were collected for the first time in the 1999 ACDC. These data are only used for acquittal of Purchasing Agreements and it is not likely that they will be aggregated to program level at this stage.

What data are currently collected that are or can be used for measures of input, output, outcome, etc.?

NGOs are required to report on: hours of service provided; number of people provided with a service; extent to which the National Disability Service Standards are met (to be assessed via the Self Assessment and Monitoring, but this may no longer be compulsory according Western Australia's response); and extent to which outcomes achieved (process for assessing 'effectiveness' to be developed during first 12 months of contract with assistance of DSC). Some service types may also be required to report 'supplementary performance measures' (where pertinent to special funding arrangements, e.g., staff turnover). (See WA Attachment 2.)

DSC's 1998–99 Annual Report presents performance measures relating to quantity, quality, timeliness, efficiency (cost/service user) and effectiveness against each of the ten outputs for which it was funded in that year (see WA Attachment 1 and Table 3.12). For some measures, time series data are presented for the past four years (DSC 1999).

The Periodic service Review (PSR) system for residential accommodation services, when fully established, is expected to provide data that can be aggregated to provide quality performance indicators for residential services. The PSR 'draft menu' lists items to be assessed under six headings: house routines; individual behaviour support plans; critical incident procedures; health and safety procedures; finance and budgeting procedures; and staff. A brief explanation of each item is given, with information on when, by whom and how it is to be assessed.

What data sources are currently available/planned?

The ACDC (annual client service data collection) is an Access database that keeps information on clients who have received service for full financial year and snapshot day. There is also an Access database with some client data for Local Area Coordination.

The Electronic Visual Information System (ELVIS) is an Access database principally used for data related to Local Area Coordination.

Systems Information System (SIS) is a new client database for all DSC clients, but it is not yet operational.

DSC's consumer satisfaction survey and the National Consumer Satisfaction Survey (conducted in 1999).

Service costing: what attempts have been made and what difficulties identified?

ABS & ACDC—forecasting long-term trends in service demand and cost implications.

What measures of need/demand are used?

ABS and ACDC data are used for forecasting long-term trends in service demand and cost implications.

DSS statistics (recipients of Disability Support Pensions and Child Disability Allowances) are used for calculating take-up rates and national benchmarks for different types of services.

Materials drawn on

Disability Services Commission (DSC). Disability service plans—creating accessible communities. First progress report.

Disability Services Commission (DSC). Schedule B of Service Purchasing and Development.

Disability Services Commission (DSC) 1996. Count us in: a plan to fund new services. 5 year business plan of the Disability Services Commission.

Disability Services Commission (DSC) 1998a. Annual report 1997/98.

Disability Services Commission (DSC) 1998b. Disability services standards: running with the standards.

Disability Services Commission (DSC) 1998c. Review of performance indicators.

Disability Services Commission (DSC) 1999. 1998-99 annual report.

Periodic service review draft menu for DSC special care hostels accommodation services: score sheet.

WA Attachment 1

The following table shows the Outcomes, Key Output Groups and Outputs for which the Disability Services Commission was funded in 1998–99. For efficiency and effectiveness indicators reported against each output, see Table 3.12 in the main report.

DSC's outcomes, key output groups and outputs, 1998–99

Outcome	Key output group	Outputs
Enhance the wellbeing of people with disabilities and their carers by the provision of necessary supports	Client Services	Output 1: Hostel residential Output 2: Community residential Output 3: Community based support Output 4: Day options Output 5: Health and individual development
Assist people with disabilities and their carers to access the necessary local supports and services for individual and family wellbeing	Individual Coordination	Output 6: Local area coordination
Promote an environment responsive to the needs of people with disabilities and their carers	Strategic Coordination	Output 7: Strategic development Output 8: Access improvement Output 9: Quality assurance Output 10: Community education

Source: 1998–99 Annual Report (DSC 1999)

In 1999–2000 the number of Outputs on which performance measures are required was reduced to four:

- Client Services (Residential);
- Client Services (Non-residential);
- Individual Coordination (Local Area Coordination); and
- Strategic Coordination.

WA Attachment 2

Schedule B of Service Purchasing and Development (summary)

'Schedule B' is attached to non-government agency Purchasing Agreements. It is the template being used currently but, as this is the first year that output and outcome measures have been used with non-government agencies, some changes are expected over time.

Categories of service:

Accommodation services

- Hostel residential
- Community residential
- Community based support

Respite services

- Community based support

Alternative to employment

- Non-PSO (post-school options), day options
- PSO (post-school options), day options

Professional and therapy services

Activ transport

Activ library

Advocacy services

For different categories of services Schedule B sets out:

- Outcomes of purchased activity: statements about quality of life (e.g., 'people with disabilities receive appropriate care and support to be emotionally and physically well'). These are predetermined (i.e., given on form).
- Description of service type/model of delivery of purchased activity (output description). A general description of service type is given on the form, with more specific information on 'purchased activity', where details such as identity of facility, number of clients and number of hours of service can be specified. For accommodation and respite services there is a table for recording direct and indirect costs of service provision and funding sources (DSC and 'other').
- Output measures of performance (performance indicators): hours of service provided (to be reported via ACDC); number of people provided with a service (to be reported via ACDC); extent to which the National Disability Service Standards are met (a measure of quality, to be assessed via the Self Assessment and Monitoring, but this may no longer be compulsory according to Western Australia's response); and extent to which outcomes achieved (a process for assessing 'effectiveness' is to be developed during first 12 months of the contract with assistance of DSC).
- Supplementary performance measures (where pertinent to special funding arrangements, e.g., staff turnover). For some service types these are detailed (do these differ in status from 'output measures of performance'?).

- Clientele/target group: number of clients, nature of disability, support levels, age range, etc.
- Basis on which contract price determined: fundraising income is excluded from determination of contract price, except where organisations use proceeds from fundraising to supplement purchased activities and not just for capital funds/other activities.
- Other conditions: detailed for some service types. For post school options, conditions include that funding for a specified individual cannot be used for any other purpose, and that PSO funding is portable.

WA Attachment 3

Detailed comments on Productivity Commission's performance indicators

(from Western Australia's response for the Indicators Project)

Overall, the data is available to construct most of the Productivity Commission performance indicators. However, these national performance indicators have missed out, to date, on the provision of non-accommodation services, such as the strategically important area of community based support.

Brief comments on each of the Productivity Commission's indicators (list attached) are provided below:

1. *Proportion receiving community support or care* – could be taken as
    a) proportion of people on DSPs/CDAs receiving community care
    b) proportion of people receiving any services
2. *Labour force participation* - Federal responsibility; therefore not relevant to DSC. Social/Community Participation performance indicators have not been used to date but clearly feasible given the latest ABS tables on same.
3. *Social participation* – available, but not yet analysed, from ABS tables; could be very useful as indicator of success of community-based support programs; could also be related to National Consumer Satisfaction Survey (CIP component)
4. *Representation in users of general community services* – not sure about availability of data here
5. *Quality assurance processes* - DSC has a complex monitoring system that assesses agencies against the National Disability Service Standards
6. *Client satisfaction* – derived from National and State Consumer satisfaction surveys
7. *Carer satisfaction* – derived from National and State Consumer satisfaction surveys
8. *Users of accommodation relative to estimated potential population* - data available
9. *Users of employment services relative to estimated potential population* - not relevant to DSC
10. *Users of day activities relative to estimated potential population* - depends here on how 'estimated potential population' is to be defined. In the Productivity Commission report this is marked as a 'New Indicator'.
11. *Use (of services) by severity of disability* – we have not collated this data to date; ABS does not have such data; we would have to extend the ACDC in order to calculate this indicator
12. *Use (of services) by special needs groups* – as above applies; also depends on how these groups are defined
13. *Client satisfaction with appropriateness* – here the term 'appropriateness' is open to a variety of definitions – apart from that we have consumer satisfaction surveys which provide satisfaction ratings overall, with some disaggregation to particular types of services.
14. *Efficiency – cost/contribution per output unit – per government provided place*

This can be provided but should relate to clients rather than bed numbers (as several clients may be provided for over the year with a particular bed; also beds may be sourced from CSDA and other funds – separating which is which is highly impractical.

Efficiency also relates to more than accommodation, it relates, more importantly, to non-accommodation services that are designed to reduce and delay the necessity to shift to such services. The emphasis on accommodation is based, to some extent, on the ease with which such services can be documented, as against the more complex multiple services offered in other areas. Non-accommodation services are not only more efficient in cost terms but also more desirable in quality of life terms – a key aspect of preventative strategies.

15. Efficiency – cost/contribution per output unit – per non-government provided place

See above.

16. Administration as a proportion of total budget

Presently provided – but there are difficulties in making valid comparisons across jurisdictions as services are delivered via a variety of different organisational arrangements. This presents real comparative limitations, e.g., Queensland always has incredibly low unit costs.

WA Attachment 4

Conceptual model, based on Fig 1 and text of DSC's *Review of Performance Indicators*.

Structural level	*Concept*	*Indicators*
Parliament Office of Auditor General	**Outcomes**	Indicators of effectiveness: relate inputs and outputs to outcomes
Treasury	**Outputs**	Indicators of efficiency: cost/unit output (Cost, quantity, quality, timeliness)
Agency management	**Inputs**	Operational indicators: relate inputs to activities, workloads and resource deployment

South Australia

Structures

Whole of government funding and reporting models

The South Australian Government has endorsed a Government Management Framework for the public sector. The key objectives are to:

- improve the focus, competitiveness, responsiveness and accountability of public sector operations;
- ensure that the Government's strategic priorities drive agency planning, operations and budgeting;
- improve the strategic management of Government and agencies; and
- ensure that the public sector plans, allocates, monitors and accounts for resources in terms of what it intends to achieve for the community (outcomes) and the services (outputs) it will provide.

Disability programs funding and reporting models

A policy statement is currently being drafted. It relates to disability services and is essentially a statement of principles and objectives of the SA *Disability Services Act*. A Disability Services Planning Framework project will follow from the policy statement and is expected to be completed in about 12 months. Indicators will be developed within the Disability Services Planning Framework.

Services are currently purchased in two ways:

- For individual clients, using the Options Coordination model. The Options Coordination Planning Process records assessed need and plans for supports that need to be purchased, but this information is not yet collected electronically and cannot be provided in aggregate form.
- Block grants, according to Funding and Services Agreements that specify the number of individuals to be supported, by MDS (service?) category. Organisations are required to report how they meet the National Standards for Disability Services.

Output Classes are used as a basis for purchasing services within the SA Department of Human Services. The Department's Output Classes are 'Community Based Care' and 'Accommodation and Support'. Within each output class there are performance indicators for quantity, quality, timeliness and cost (see SA Attachment 1 below).

Service models

Five Options Coordination agencies were created in 1995 to provide overall service coordination for clients with disabilities: brain injury Options Coordination, Adult Physical and Neurological, the Crippled Children's Association, the Intellectual Disability Services Council, and Sensory Options Coordination. Psychiatric disability is not covered, as it is a needs area under the auspices of the South Australian Mental Health Service rather than the Disability Services Office (see *A disability chartbook of South Australia*)

A number of service models were identified in South Australia's response for Project 3.1:

- Brokerage/Options Coordination/Individual Funding Packages: The agency coordinates and purchases services for clients based on their individual needs using brokerage funding.
- Post School Options (Moving On): The Intellectual Disability Services Council arranges contracts for services with agencies for the provision of Post School Options services.
- Joint Ventures: A service or project jointly entered by two or more parties, one of which is the Options Coordination Agency. There is an agreement that the parties will each contribute an agreed level of resources (including 'in kind' resources or intellectual property) to this venture.
- Crippled Children's Association: CCA works closely with the Education Department in providing therapy and equipment services in educational settings. Such collaborations are recorded in client files and in protocol agreements with each school.
- Julia Farr Services: Home based rehabilitation, Tele-rehabilitation, Community support (service to individuals in their own home) community housing support care service. In house 'day' service for rehabilitation services. Combined with these will be a need to establish a recharge/fees/structure that supports the activity reporting for the above areas.

Client Managed Services—a model under which clients are given a pool of funding and arrange and purchase services they feel they require—is envisaged for the future.

Reporting requirements are formalised in Funding and Service Agreements: measurement of Standards, financial information (statements of income and expenditure, annual reports or audited financial statements) and activity information.

Quality standards, etc.

Under Funding and Service Agreements organisations are required to report how they meet the National Standards for Disability Services.

Stage 2 of the *Epidemiology and service implications project* (Dissinger 1999) involves developing service quality indicators and monitoring methodology, in consultation with stakeholders, for recommended inclusion into Funding and Service Agreements.

Performance-related concepts

The Government Management Framework, in one of its objectives, uses 'outcomes' to mean what the government intends to achieve for the community, and 'outputs' to mean the services it provides.

Data

Data needs identified

Data on unmet needs/demand were identified as lacking (although there is concern about including waiting list or demand data items in the CSDA MDS until consistent eligibility and waiting criteria have been developed nationally).

Some data needs associated with particular service models were identified:

- Options coordination: need to collect data on what services are purchased.
- Joint Ventures: Need to develop a method for counting 'in kind' support. This poses a problem for service costing (e.g., where a community agency works with a disability agency for the provision of a service by providing administrative support, or indirect support such as gardening at a group home).

To satisfy Part 7 of the CSDA (Clause 7 a and b) more accurate and comparable data on number of service users, costs of or contribution toward service delivery, and quality indicators are needed.

One of the recommendations from Stage 1 of the *Epidemiology and service implications project* (Dissinger 1999) was that Options Co-ordination agencies enhance the accuracy of the client data bases with a view to incorporating hours of support and relevant costs.

What units of service are used for defining outputs?

In South Australia's response for Project 3.3 it is stated that for each service the 'unit of purchase' is different.

For services purchased using block grants, the number of individuals to be supported (by MDS category) is specified in the Funding and Services Agreement.

What data are currently collected that are or can be used for measures of input, output, outcome, etc.?

South Australia's response for Project 3.1 lists client count data currently available:

- Options Coordination: number of clients (monthly/quarterly statistics)
- Activity information from NGO's via Funding and Service Agreements.
- Minda Townsend House—also collects data on clients who have a guardianship or administration order in place. The client information system provides an electronic method of recording key information about each client in receipt of a service. This is more comprehensively recorded in the individual client records.
- Julia Farr Services—Number of residents/clients per day, number of clients receiving services per week, number of attendances/sessions per week, number of clients absent or on some form of authorised leave.

Financial data: Funding is broken down by agencies into their funded types. These funded types roll up into output classes that are reported to the Department of Human Services. This information is based on budget information rather than expenditure because it is too difficult for agencies to attribute certain costs against different service types

What data sources are currently available/planned?

The CSDA MDS forms the main database for information about funded agencies and consumers. CSDA MDS data are used for Departmental reporting against output classes. Additional information is obtained on an ad hoc basis.

Data from two studies have been published in a *Disability chartbook of South Australia*. The studies were (i) the Disability Support Needs Project (1994)—a non-random sample of 1,861 respondents, recruited through disability support services; (ii) the SERCIS Survey of Disability Prevalence (1996/97), a representative phone survey of 32,189 people of whom 2,768 reported disability. Information is presented on prevalence of different disability types,

demographics, attitudes and feelings, supports, health and services, transport, income and employment.

Service costing: what attempts have been made and what difficulties identified?

It is too difficult for agencies to attribute certain costs against different service types. NGO agencies generally provide a contribution towards the provision of the services (the funding split between Government and NGO is approximately 60:40). Data on service expenditure would be very difficult to obtain. Monies received from fund raising are not generally attributed to particular service types.

What measures of need/demand are used?

The Options Coordination Planning Process records assessed need and plans for supports that need to be purchased, but this information is not yet collected electronically and cannot be provided in aggregate form.

An *Epidemiology and service implications project* was undertaken to project demand for services from three Options Co-ordination Agencies: Adults with Physical and Neurological, Brain Injury Options Co-ordination and Crippled Children's Association. The project drew on a number of data sources, including ABS population data, AIHW demand projections, South Australian survey data, Options Co-ordination client registers and hospital separation data. Results indicated that the percentage of the total estimated client population known to Option Co-ordination agencies was 11% for Adults with Physical and Neurological, 54% for Brain Injury and 55% for Crippled Children's Association (20%, averaged over the three agencies). Potential client population to 2005 was projected and implications for services were discussed (including cost of meeting projected demand) (Dissinger 1999).

Materials drawn on

Chapman A 1998. A disability chartbook of South Australia. Adelaide, South Australia: Disability Services Office, South Australian Health Commission.

Dissinger M 1999. Options co-ordination agencies epidemiology and service implications project: stage 1 report.

SA Attachment 1

The following table sets out the initial performance measures that have been suggested for the output classes that apply to disability services, as given in South Australia's response to AIHW.

Output class	Accommodation and Support	Community Based Care
Description	Accommodation provided in conjunction with care or support to individuals with disabilities	Direct care, intervention, support services and goods provided from a variety of sources to assist persons with disabilities and their carers to maintain quality of life in the wider community
Performance indicators		
Quantity	No. clients receiving services on the 'snapshot day' • government institution • government group home • non-government institution • non-government group home	No. clients receiving services on the 'snapshot day' • respite: centre based • respite: other respite and recreation • day programs • in home support • case management and brokerage
Quality	% of service providers with national service standards included in funding and service agreements	% of service providers with national service standards included in funding and service agreements
Timeliness	to be developed	to be developed
Cost	Average cost per government provided place: • institution • group home Average contribution per non-government provided place: • institution • group home	Administration expenditure as a % of total expenditure

Tasmania

Structures

Whole of government funding and reporting models

Outputs Methodology has been progressively implemented in Tasmania since 1992-93 as part of a broad Financial Management Reform Strategy (Mussared 1999). In a publication outlining output methodology, the Tasmanian Department of Treasury and Finance states that heads of agencies are accountable for the provision of outputs, while Ministers and the Government are accountable for the achievement of policy objectives (outcomes). The output methodology involves making a clear distinction between the role of Government (purchaser and owner) an agencies (providers). It is expected to ensure that:

- the community will receive better value for money, as agencies will produce goods and services of the required quality at the lowest cost;
- Government will receive better information for making decisions and monitoring performance of agencies;
- Ministers will benefit from the creation of explicit links between outputs and policy objectives (outcomes);
- agency management will benefit because goals will be more explicit.

Agency managers are required to: clearly specify and establish the full cost of outputs, evaluate the relationship between outputs and Government policy objectives, ensure that outputs are produced efficiently, and measure and report the agency's performance. Agency activities are reviewed on an ongoing basis and agency outputs are analysed as part of the Budget process.

Progress has been made with defining and costing Outputs and specifying Outcomes, but difficulty is being experienced in establishing meaningful links between Output and Outcome measurement (Mussared 1999). An agency Output analysis process has been implemented by Treasury as part of the Budget development process.

Output information was included in the Budget Papers in 1995–96 for the first time. In the 1998–99 Budget performance information was provided for all agencies and general information on Outcomes was included. In the 1999 May Budget detailed performance information was provided and there was explicit linkage of outputs and outcomes (Mussared 1999).

Agencies are required to prepare qualitative and quantitative output information, including links to outcomes and performance indicators for each output. Three levels of outcomes have been established: community outcomes, government policy priorities, and agency outcomes.

Disability programs funding and reporting models

The Disability Services program is part of the Department of Health and Human Services. Specialist disability services are funded under the 'community and rural health output' group.

The Department is continuing to develop and refine performance measures at whole-of-department level (i.e. to assess whether the Department is investing in the best mix of services at the best price to meet needs, etc.), and at Output Group level (to indicate service efficiency and effectiveness).

Disability services are contracted through annual Service Agreements that stipulate the type and level of services to be provided (see Tas Attachment 1). Agreements are monitored at least annually and service providers are required to report on whether objectives and standards have been met. Information must be provided on the following:

Client target group	Number of clients Selection of clients
Client outcomes information and evaluation	How individual objectives for clients will be met
Standards, Consumer Rights	How relevant service delivery standards will be met
Specific service delivery reports	On number of clients referred, number of clients provided with a service, frequency of service, waiting time for service, client satisfaction, number of activities etc

There is currently an attempt to move towards performance based funding, with funding being primarily dependent upon the achievement of specified outcomes for individuals. This is a shift away from an emphasis on inputs, processes and outputs of services.

In 1998, Disability Services in Tasmania began a pilot project to trial the Personal Outcomes Assessment Tool, based on an instrument developed by the Council on Quality and Leadership in Supports for People with Disabilities (USA). The purpose of the tool is to assess service providers purely in terms of quality outcomes for individuals. It incorporates client perceptions of service provision quality. Measures focus on the whole person across different agencies and programs that are providing supports and services. This should encourage organisations to shift their strategic planning focus across service delivery boundaries. (Note: the second phase of this project is currently unfunded and work on its development has ceased, though Disability Services is still committed to this type of assessment.)

Service models

Service providers are usually block funded to provide a certain level of service (i.e., client numbers, hours of support) to a specified standard (consistent with legislation). The level of funding is historically based for existing services. Output based funding is being introduced for new services.

Tasmania is establishing a Post School Options program which will involve inter-agency transitional planning and time limited support to achieve specified outcomes. Funding is allocated in respect of specific individuals. Individual needs will be identified and met

collaboratively. This will involve planning between agencies and across service types. It is anticipated that outputs will need to be measured not in terms of unit of service but in terms of agreed client outcomes being met. Though there is no approach for measuring outcomes yet an assessment is being developed—outcomes will probably be measured in terms of successful completion of agreed courses/activities and/or the success of activities in securing long-term options for clients.

Quality standards, etc.

Service providers are usually block funded to provide service to a specified standard, consistent with legislation.

An individual outcomes assessment model is being trialed. Its purpose is to assess service providers purely in terms of quality outcomes for individuals. It incorporates client perceptions of service provision quality.

Other issues

The Deputy Secretary of Department of Treasury and Finance, in a presentation to an IQPC Conference, noted that, in some agencies, output information is only prepared to meet Treasury reporting requirements and is not routinely used for internal management purposes. The document outlines difficulties that have arisen during the implementation of 'output methodology'. For instance, performance indicators developed by agencies have tended to focus on what is already measured and what is easily measured, rather than on linking performance measures to the achievement of outcomes (Mussared 1999). While progress has been made with defining and costing Outputs and specifying Outcomes, difficulty is being experienced in establishing meaningful links between Output and Outcome measurement.

It is noted in the Tasmanian response that there has been no clear articulation of the outcomes the government wishes to purchase, particularly in terms of outcomes for individuals. This may be explained by a 'delay in the specification of outcomes' mentioned by the Deputy Secretary (Mussared 1999).

Performance-related concepts

In the description of output methodology (Department of Treasury and Finance Tasmania 1996) **outputs** are defined as goods and services produced by, or on behalf of, a government agency and provided to customers outside the agency. **Outcomes** are the effects on the community of the outputs that are purchased by the Government. **Inputs** are the human, physical and financial resources, materials and information (e.g., staff, cash, physical assets, materials, information).

In the standard Service Agreement used by the Department of Community and Health Services, outputs are defined as any services and goods produced by the Organisation (i.e. the organisation being contracted to provide services). Outcomes are defined as the impacts of service delivery on the health and well-being of clients and/or the target group (identified in the agreement).

Under the Financial Management Reform Strategy, three levels of outcomes have been established: community outcomes, government policy priorities, and agency outcomes.

The individual outcomes assessment tool currently being trialed conceptualises outcomes at the whole person level, across agencies and programs that are providing support and services.

The Department of Health and Human Services approach to measuring its performance against its outcomes is set out in Budget Paper 2 (1999). One of its 'outcome deliverables' is:

> Individuals, children and young people at risk of abuse and neglect are provided with safety and support and people who experience illness, injury or disability and those in need of personal or social support have access to high quality services that advance their development and promote their dignity.

Examples of ways to measure outcomes (e.g. customer perceptions assessed through satisfaction surveys), quality (e.g. accreditation), access (e.g. waiting times), and appropriateness (e.g. proportion of clients receiving non-institutional care), are listed.

Disability services are funded under Output Group 2: Community and Rural Health. A key objective of this Output Group is to invest in the provision of community based services and reduce provision of services in institutional settings.

Data

Data needs identified

Consumers—number receiving service, access in relation to support needs, actual unmet need, client outcomes in relation to individual outcomes.
Services—relative costs, equity of access.

There is a recognised lack of information relating to the location of clients, level of service provided (e.g., client hours and what other services accessed), and informal carer assistance.

What units of service are used?

Service providers are usually block funded to provide a certain level of service in terms of client numbers or hours of support.

What data are currently collected that are or can be used for measures of input, output, outcome, etc.?

Under Service Agreements data are collected on client numbers, hours of service provision, and level of funding. These data are not aggregated at program level.

Total funding, funding per client, funding per hour/unit of service are also collected for CSDA services.

In Budget Paper 2 (1999), activity data for disability services are presented. They show client numbers in different service categories (community integration program, residential places and support places, by government/non-government, community based support). The source of these data is not given.

Service costing

Tasmania has used national average costs for particular service types, as reported in the annual Report on Government Services, as a crude guide to upper limits for service costing.

Where Tasmania differs markedly from the national average, Tasmanian average costs have sometimes been used. There are no funding formulae, as such.

There have been problems with accurately costing outputs across government agencies—particularly with allocating overhead costs to individual outputs (Mussared 1999).

What measures of need/demand are used?

Measures of demand for services are primarily based on client assessment processes and established waiting lists.

Materials drawn on

Department of Treasury and Finance Tasmania 1996. The output methodology and the budget process.

Department of Treasury and Finance Tasmania 1999. Budget paper 2: operations of Government Departments 1999–00.

Funding submission: personal outcomes assessment tool pilot project. 1999.

Mussared P 1999. Establishing the link between output and outcome measurement: the Tasmanian experience. Presentation to the IQPC Conference on performance measures for outputs and outcomes 28 and 29 June 1999.

Tas Attachment 1

Service agreement

The agreement is a standard framework used by the Department of Community and Health Services. It sets out the mission statement and guiding principles of the Department.

Schedules:

1. Objectives and priorities of the Division

Sets out the objectives and priorities of the purchasing Division, and of the organisation contracting to provide the services. The priorities of Disability Services are:

- to enable persons with disabilities to achieve their maximum potential as members of the community;
- to enable persons with disabilities to further their integration into the community and complement services available generally to persons in the community'
- to ensure that the quality of life achieved by persons with disabilities, as the result of the services being provided for them, is taken into account in the granting of financial assistance for the provision of those services;
- to provide services in ways that promote a positive image of persons with disabilities and enhance their self image in the community;
- to encourage innovation in the provision of services for persons with disabilities.

2. Services to be provided/Project Details

Details of the target group (i.e. clients within the scope of the agreement);

Goals of the service: objectives and outcomes—what consumers are expected to gain from the service.

Strategies: details of how objectives will be achieved, including specific tasks/activities, time-frames and performance measures.

Activities: description of day-to-day operation of the service (i.e. what the money will be spent on).

Consumer/participant outcomes information and evaluation: to include a quality of life measure to directly reflect individual client outcomes (in the example given the 'Standards for services for people with disabilities, 1992' are mentioned here).

Consumer rights: broad statement of rights (e.g. to be treated with respect and dignity; to complain about the quality and availability of services without having to fear the consequences, etc.)

3. Service standards and evaluation

Service delivery standards. In the example given, a Standards Assessment is to be kept on file, covering a range of areas (e.g. management, including financial management, privacy and confidentiality, etc.)

Service development: details of how improvements are to be planned and monitored, etc.

Evaluation: Details of how service to be evaluated by the Department. In the example given, the service is to be assessed at least annually against the Standards for Services for People with Disabilities.

4. Reporting requirements

Lists requirements (including participation in CSDA MDS). The organisation is required to provide a quarterly report outlining any changes to the list of clients in Schedule 2.1.

5. Funding arrangements

Details of when payments made to organisation, which is explicitly subject to service levels and quality being achieved, funding levels being continued and terms and conditions of the Agreement being met.

6. Accounting practices and financial reporting requirements

7. Management of assets and organisation

8. General provisions

Including definition of terms.

Outputs: any service and goods produced by the Organisation.

Outcomes: the impacts of delivery of any service on the health and well-being of clients and/or target group.

Also details how agreement may be varied, terminated, etc; dispute resolution procedures; legal obligations; confidentiality and client records, etc.

Australian Capital Territory

Structures

Whole of government funding and reporting models

The purchaser-provider model is a government-wide approach to service provision, overseen by the Government-wide Community Services Purchasing Group convened by the ACT Chief Minister's Department.

A 1997 review of purchasing arrangements in the ACT (Rogan & Johnston 1997) mentioned that, in 1996–97, 'Government outcomes' were contained in an Outcomes Statement (Budget Paper no. 3). An 'output model' was applied to goods and services supplied by core government agencies as from 1 July 1996. Under the model, agencies must record inputs directly and indirectly consumed in the production of outputs. The ACT Strategic Plan (scheduled for release in 1997) was to set out goals and broad policies and provide a framework to assist government in deciding what services it needs to purchase to deliver the outcomes it wants.

With the introduction of service purchasing the ACT Government has moved to standardise reporting and accountability systems. A standard contract has been developed and is being trialed (see Rogan & Porcino 1998:21–2). It is planned that it will eventually be implemented across all Government purchasing agencies. Schedule 2 of the contract describes what is being purchased in terms of service description, outcomes and outputs. It also has a section called 'performance standards' which is currently used in different ways (i.e., may refer to standards manuals or list specific standards). Performance indicators relating to main outcomes and outputs, using indicators of quality, quantity, timeliness and cost, are set out (see ACT Attachment 1 below). The main vehicles used by Government to monitor compliance with contracts are management plans submitted by agencies and related progress reports; six monthly and annual reporting against outputs/activities detailed in contract; financial reports; client and service data (Rogan & Porcino 1998).

Disability programs funding and reporting models

During the 1995–96 financial year the Department of Health and Community Care took a number of steps towards implementing the purchaser/provider model. These included the following (Rogan & Johnston 1997:37):

- a new departmental structure under which policy, planning, regulatory and purchasing functions are separated from the provision of health and community care services;
- a generic purchasing contract for use with non-government providers which incorporates schedules to differentiate specific program or servicing requirements—there is a separate contract for government providers;
- unit cost surveys in HACC;
- outputs defined for inclusion in contracts, to be implemented from July 1996.

Since the adoption of the purchaser/provider model in 1996, Health in the ACT public sector has been divided into two parts: (1) Department of Health and Community Care, (2) ACT

Health and Community Care Service (a statutory body, made up of the Canberra Hospital and ACT Community Care). The Department is responsible for policy development and planning and purchasing services (*Setting the Agenda*).

The Government funds the Department of Health and Community Care for outputs grouped in four output classes: (1) policy, planning and health outcomes; (2) purchase of health, aged and disability services; (3) community and health services complaints; (4) payments for services purchased.

Output 4.3, 'community services', is described as 'provision of high quality community care services in both the Government and non Government sectors. Services providers include ACT Community Care and a variety of community based services providers'. Measures of quantity, quality/effectiveness, timeliness and cost are given for reporting to Treasury.

Quantity measures seem only to relate to government provided services:

- Disability Centre based Respite Services—occupancy rate for 18 respite beds;
- Multidisciplinary Services ('units of service'—no definitions given);
- Accommodation Support Services (number of clients).

Quality/effectiveness measures include 'all service providers have clients' complaints mechanisms in place'. The timeliness measure is 'quarterly reports against purchasing contracts submitted to the Department'. The cost measure is the overall cost of that output per head of population in the ACT (ACT Government 1999).

Services purchased on behalf of the Government are provided by government and non-government organisations and financed by a combination of government funds, user charges, fund raising and voluntary work. The ACT Community Care Disability Program is a government service provider that provides accommodation support, centre-based respite, multi-disciplinary allied health services, information, advice, assessment and referral services and recreation and leisure programs for people with disabilities. It is part of the ACT Health and Community Care Service (Strategic Plan 1999:9).

Disability services are purchased from the ACT Community Care Disability Program and non-government providers. In each contract, an outcome (broad objective), outputs (in terms of volume, quality, timeliness) and price are stated. Each contract provides the broad policy context and any specific policy drivers for change. Agencies report quarterly on provision of outputs. These in turn are reported to the ACT Legislative Assembly.

With the introduction of the purchaser/provider system some elements of the ACT disability service system are still evolving. It is recognised that service access is currently uncoordinated and some reform and clarification of the roles and interactions of different parts of the system is necessary.

The draft Strategic Plan for Disability Services in the ACT (1999) provides a framework for development of the disability services system, and will be reviewed after 3 years.

The Plan sets out key 'strategies and actions'. These include:

- 'Tendering and contracting processes to be improved to ensure that these processes promote optimum outcomes in both consumer and resource terms'—a key strategy is to respond to Legislative Assembly Committee review of purchaser/provider system in ACT Govt.
- 'Purchasing decisions are informed by measurement of relative performance/efficiency/effectiveness'. This will involve developing consistent definitions of outputs for services which provide similar types of support and

purchase against these outputs, and use of a quality framework to evaluate performance in terms of consumer outputs and quality standards.

The Strategic Plan sets out intentions to develop 'quality mechanisms', standards, performance measures, etc. In the ACT's response it is stated that each contract has performance indicators in terms of volume, quality and timeliness.

A 1997 review of purchasing arrangements in the ACT indicated that there had been little work done on performance measurement and quality at that time (Rogan & Johnston 1997). Looking at the extent of change with respect to service purchasing reform, the report stated that, although on the surface it appeared that much had changed, in practice all that had been implemented at that time with existing service providers was a different form of contract that specified outputs and unit costs, where these were able to be identified.

Service models:

The Individual Support Packages (ISP) Program was introduced in 1994. In 1997 the Program was reviewed, and strategies to safeguard individuals and improve the effectiveness of ISPs as a funding mechanism were recommended. In 1999–2000 funding will be allocated to reform the individualised funding model (Department of Health and Community Care 1998).

ISPs are seen as an important component of a broader system but not the only way services should be purchased (whether they are appropriate will depend on the needs and situation of the individual concerned). There is a recognised need to develop ways of 'unbundling funds' from existing service provision structures into individual funding packages.

An independent information, negotiation and brokerage service, Community Connections, has been established to provide support for people with disabilities and their families to make decisions about their support needs, priorities and lifestyle options. It is seen as important that this role is not undertaken by the purchaser or provider.

It seems under the ISP model that individuals and their families (with support from Community Connections and others) are expected to decide on the outcomes they wish to achieve and what service interventions to purchase in order to achieve those outcomes. The development of policies and procedures to address issues such as individual and Program accountability and outcome measures has been identified as an 'area for action'. The role of the service provider includes 'provide services as purchased or negotiated' and 'assure the quality of services provided'. The role of the person and their family includes 'assess the quality and effectiveness of the services in improving their lives' (Department of Health and Community Care 1998).

In 1998/99, 74 individuals received ISPs (Strategic Plan 1999:24). The funds are administered through auspice agencies, but details of how they are administered are not given in the information provided.

Quality standards, etc

The Disability Service Standards are used by the ACT and will be incorporated in planned 'quality mechanisms' (ACT 1999). When the Standards were introduced there was no accompanying process for monitoring. Now there is a system that involves annual self assessment (views of consumers and agency staff, required under funding agreements), and an external audit every 5 years. Agencies are expected to meet the Standards, but there is no system to assess performance against them other than agency reporting. In the area of

disability advocacy it is commented that the national standards 'don't fit well'. (See Appx 3 & 4 of Rogan & Porcino 1998, for standards relating to human services generally.)

A project has recently been undertaken to devise a framework for the development and use of quality standards for human services in the ACT. While performance standards relating to specific outputs purchased are requirements under service contracts, the proposed 'quality framework' would establish incentives to improve the overall quality of an organisation (e.g., an agency which meets ACT quality standards may be seen as a more attractive agency to do business with).

The Strategic Plan for Disability Services sets out a number of program level 'performance outcomes' and corresponding 'strategies'. These come under three headings—unmet need, service quality and consumer outcomes, and systemic improvement—which reflect the key issues identified during the development of the Strategic Plan (see ACT Attachment 2).

The Strategic Plan also mentions a '3–year accreditation with the Australian Council of Healthcare Standards' as part of the Disability Program's program of reform instituted in 1996 (p25).

Other issues

Introduction of the purchaser-provider model is perceived to have made resource allocation to specific individuals/services more transparent. Tendering for new services promotes equity for services competing for new work and encourages innovation and efficiency. The participation of people with disabilities and service providers has enhanced the tender and selection processes.

However, some problems associated with the implementation of the model were noted in the ACT response. Under the model, agencies may not be encouraged to stretch resources to meet demand, as they were under old grant programs, as outputs are clearly specified. Also, competition in the tender process may weaken collaboration between agencies.

A greater focus on unit costs makes agencies more aware of individuals who require high levels of support which must be met from general funds—they may refer these people on or seek extra funding in respect of them.

Another problem with the purchaser-provider model is that the disability services system consists of one large provider (Government) and many small providers. Small providers may have difficulty meeting purchasing requirements and competing for contracts (Strategic Plan 1999:28).

Minimum standards set out in contracts are necessary, but can also be problematic as they may suggest that there is a level of service provision that is 'good enough', and thus remove any incentive to do better.

Some problems with the implementation of the Individual Support Packages (ISP) Program have been recorded (Department of Health and Community Care 1998). These include the tendency of an organisation that auspices an ISP on behalf of a person to purchase service from itself, and the tendency of service providers to view and attempt to meet the person's needs from within their current service paradigm.

Performance-related concepts

The 'Outcomes statement and associated output classes' for the 1998 Budget (available on internet) lists broad government outcomes and 'supporting outcomes' (associated 'output classes' do not seem to be contained in this document). It is stated that 'the value of outputs

is assessed by how effectively they contribute to the outcomes sought by the Government on behalf of the community'. There is no information about how this 'effective contribution' of outputs to outcomes is measured. (See ACT Attachment 3 for list of government outcomes.)

A draft report on quality improvement in human services in the ACT states that there is a need to distinguish between how quality is factored into purchasing decisions and contracts on the one hand and standards and processes directed to quality improvement on the other. Quality standards are best used as a tool in service improvement and evaluation of quality—'compliance' is not a useful objective (Rogan & Porcino 1998).

The following working definition of 'quality standards' was given in the report:

> Quality standards provide a guide to good practice for services. They establish what is known and expected in a given service sector or industry in relation to quality and effectiveness of services. Standards are usually expressed as broad statements concerning what is aimed for and are most useful when accompanied by more detailed indicators which suggest the things you would look for to know the standards are being achieved. Rogan and Porcino 1998

The report gives a structure within which generic quality standards for human services could be developed (8 broad headings with a number of standards under each). Standards are divided into 3 categories:

- management and infrastructure;
- client participation and rights, community development, safety and environment; and
- direct service provision.

Data

What units of service are used for defining outputs?

Various units of service are used to define and quantify services purchased. These are stated in the annual purchase agreement (Contract) between the ACT Government and service providers. The unit of service relates to the service type. For example, accommodation support services may be quantified using number of beds or number of places. Respite or community access services may be quantified using hours of service (with a distinction between hours of service provided on an individual basis or a group basis).

Units of services are reported to the Community Services Purchasing Unit on a quarterly basis and are monitored and collated into cumulative annual reports. The data are also reported to the ACT Legislative Assembly as part of the Department's output report.

What data are currently collected that are or can be used for measures of input, output, outcome, etc.?

Some data are available from contract reporting requirements, but more accurate and detailed information on service provision is needed for policy development and planning. Information is currently available on the amount of funds spent and quantity of disability services purchased. There is limited information on service quality and outcomes, and characteristics of service users. There is also limited understanding of what is provided in one 'unit' of service (e.g., what is an hour of community access?). This makes it difficult to compare service quality and value for money (ACT 1999).

The sole unit of input measured under current arrangements is purchase price: funding dollars contracted for the purchase of specified outputs in annual purchase agreements. Expenditure of funds is reported to the Community Services Purchasing Unit on a quarterly basis and monitored and collated into cumulative annual reports. Performance against funding is reported to the Legislative Assembly as part of the Department's output report.

Funding figures for CSDA services are provided in the Strategic Plan (1999). Figures are broken down by service type and government or non-government provider. Funding for Individual Support Packages is identified separately. Also given is the percentage of total funds coming from the ACT Government and the percentage coming from the Commonwealth Government. Similar data are given for HACC services.

What data sources are currently available/planned?

A data base (CASPER) is currently being developed for the Community Services Purchasing Unit which will allow the analysis of quarterly service data.

An ACT Minister for Health and Community Care's statement on directions for health and community care in the ACT, 'Setting the Agenda', mentions that the ACT has developed a Patient Master Index (PMI) to assist identification of people between services. This is not a central database, but does use unique patient identifiers (this seems to relate more to health services than welfare services—more information on coverage of the database and how the data are used would be useful).

Service costing: what attempts have been made and what difficulties identified?

In the 1997 review of purchasing arrangements with non-government providers it was recognised that there was insufficient service costing data (Rogan & Johnston 1997). The bulk of annual funding decisions were based on historical considerations. Costing tended to be on the basis of inputs (salaries, rent, etc.) and there was no way to determine whether the grant was fully meeting or subsidising the cost of the service, or the extent to which the cost represented value for money. It was recommended that, in cases where the level of grant represented a contribution by government, rather than the actual cost of the service, this should be acknowledged in the contract. The review mentioned a unit costing exercise undertaken by the Department of Health and Community Care. It focused only on costing what services currently did—it did not produce benchmarks against which to assess price, efficiency, effectiveness or quality. Also it did not determine whether prices paid represented a contribution or the full cost of services provided (Rogan & Johnston 1997:32).

Organisations are required to provide financial data for accountability purposes. This includes information about 'other government funding' and 'other sources of income' (including client fees, fundraising, etc.). It is not clear how detailed the data must be, and whether they would enable a full costing of services provided. (See Appx 9.8 Rogan & Johnston 1997—it is not clear what document this Schedule is taken from.)

Figures on cost of community accommodation presented in the Report on Government Services (SCRCSSP 1999) indicated that government-provided places are more expensive than non-government-provided places, but it is unclear whether 'places' are really comparable (ACT 1999).

There is a recognised need for further work on costing—particularly pricing formulae that reflect the Government's expectations regarding quality.

What measures of need/demand are used?

A current exercise in assessing applications for individual support will provide anecdotal information based on the perceived needs of services providers and self-referred people with disabilities. The Strategic Plan mentions approaches to improving information on demand, including a HACC project to develop profiles of aged people with disabilities in the ACT. The profiles are expected to be available in 1999, and will be used to inform policy, planning and purchasing.

ACT currently uses ABS and AIHW estimates of need/demand.

Materials drawn on

ACT 1999. Strategic plan for disability services in the ACT.

ACT Government 1999. Budget estimates 1999-2000: budget paper no. 4

Bollard R 1999. Using measures of success to assess the achievement of outcomes—ACT's experience.

Department of Health and Community Care 1998. Individual support packages for people with disabilities in the ACT.

Health ACT 1998. Setting the agenda.

Rogan L & Johnston C 1997. Implementation of service purchasing arrangements in the Australian Capital Territory.

Rogan L & Porcino A 1998. Quality improvement in human services in the ACT—a framework for future development (draft report).

ACT Government Service Purchasing Contract.

ACT Attachment 1

Service Purchasing Contracts

In 1998 The Department of Education and Community Services and the Department of Health and Community Care were trialing a new Service Purchasing Contract, with a view to the contract being implemented as a standard contract across all Government purchasing agencies (Rogan & Porcino 1998).

A copy of the 1999 ACT Government Service Purchasing Contract was provided. Standard conditions are set out in the body of the contract.

Clause 5.1 sets out the 'principles of service provision':

5.1 The Provider shall provide the Services in a manner which:

(1) recognises the dignity, worth, independence, cultural diversity and basic human rights of Service Users;

(2) ensures that the Services provided are of appropriate quality with respect to safety, risk, health and community care outcomes and Service Users' interests;

(3) conforms with relevant Territory and/or national standards as notified by the Purchaser;

(4) promotes linkages with other service providers;

(5) provides information about the operation of the Services, including enquiries and complaint procedures available to Service Users; and

(6) provides mechanisms that facilitate Service User input into the design and delivery of the Services and Service User feedback on the Services received.

Clause 5.8 states 'The Provider shall institute procedures for receiving and handling feedback and complaints by Service Users about the Services and shall advise Service Users of the procedures available for the referral of feedback and complaints by them in relation to their receipt of any of the Services'.

Specifics relating to the services being purchased (outputs), performance requirements and obligations of the service provider, etc., are set out in 7 Schedules to the contract.

Schedule 1 Contract details and further definitions

Schedule 2 Services: describes the services being purchased under the following headings:

- Item 1 A description of services (agency, function, target group, direct services, management services and supplementary services)
- Item 2 Outcomes
- Item 3 Outputs
- Item 4 Performance standards (this section allows Government to specify any standards agencies are expected to comply with or, where there are no standards it requires agencies to comply with the approved Service Development Statement which forms part of Schedule 3.)
- Item 5 Performance indicator: quality, quantity, timeliness, cost (eg. cost per unit)

Schedule 3 Provider's reports: outlines reporting requirements

- Item 1 Output report: Attachment A to schedule 3 outlines the performance indicators against the service specifications in schedule 2. Three types of indicators are used, quantity, quality and timeliness. Reporting is quarterly
- Item 2 Financial statements
- Item 3 Assets register
- Item 4 Other reports and documentation (including annual report on service activities)

Schedule 4 Purchase price and payment
Schedule 5 Provider's further obligations (Financial accountability, service staff, customer satisfaction, service development and management statement, provision of information access to premises)

Schedule 6 Assets

Schedule 7 Special conditions (including conditions relating to human resource management)

The standard contract does not detail how outputs and outcomes should be specified, or what performance indicators should be used. It is not clear to what extent outputs and performance indicators are standard for agencies providing similar services.

ACT Attachment 2

Strategies and actions—excerpt from the Strategic Plan for disability services in the ACT.

The strategies and actions all relate to one or more of the Strategic Plan's three key areas: unmet need; service quality and consumer outcomes; and systemic improvement. These areas reflect the key issues identified during the development of the Strategic Plan.

Performance outcome	Strategies
Unmet Need	
Access by people with disabilities to mainstream services, including ACT Government services, is promoted and improved	Disability Advisory Council to investigate and advise on effective and innovative ways to promote inclusion of people with disabilities
	In conjunction with the Disability Advisory Council, research and develop mechanisms to make ACT Government agencies accountable for their accessibility to people with disabilities
	Provide information and advice to other ACT Government agencies on matters relating to access by people with disabilities
	Purchase disability services which promote inclusion and which facilitate access by their clients to mainstream services
	Promote inclusion of people with disabilities when purchasing services other than disability services
	Comment on the draft Accessible Public Transport Plan being prepared by the Department of Urban Services, to promote accessible public transport in the ACT
	Healthy Cities project to consider the needs of people with disabilities in its policy, planning and programs and to emphasise the prevention and minimisation of the impact of disability
Information is acquired, analysed and used to advise government of unmet need for disability services (current and projected) and recommend the most effective ways to address this need	Arrange for completion of a 'consumer profile' project which collects information on consumer characteristics, need (met and unmet) and consumer values and priorities for aged and disability services in the ACT. Use project report in planning, policy development, purchasing and in providing advice to Government on unmet need
	Develop and implement improved processes for collection, collation, analysis and reporting of data relating to disability service provision and demand for disability services
	Develop a forecast of demand for disability services over the next 20 years, based on information to be collected above, including information on children with disabilities in early intervention services and school system. Use the forecast to identify future resource needs and allocation
	Research and establish innovative and timely ways -'new options'- to minimise the negative impact of disability on individuals.

Performance outcome	Strategies
Unmet Need (continued)	
Consumer access is improved through the targeting and prioritising of services	Establish an assessment and access system for people whose support needs can not be responded to in a straightforward and immediate way. This system should be independent of service provision and based on clear targeting and priority guidelines. It will aim to ensure an integrated approach, equity of access, appropriateness of referral, quality and value for money
	Provide guidelines for service providers to use in situations where people have non-complex needs and do not come through the formal assessment system
Funds and other resources from all potential sources are maximised	Continue to seek additional Commonwealth resources for disability funding
	Investigate potential for bilateral agreements under the CSDA which would assist in addressing unmet need for disability services
Service gaps are addressed and continuity of services improved through enhanced coordination and communication between Commonwealth Departments and ACT Government agencies	Establish communication and planning protocols where appropriate
	Investigate potential for establishment of a disability network in ACT Public Service
Consumer self-management and independence is promoted by service providers, including encouragement of flexibility and innovation to address individual needs	Work with Service Provider Resource Centre to promote the development of service provider policy and practices which require and support consumer involvement, self-management and independence
	Monitor service provider policy and practices relating to consumer involvement, self-management and independence (within quality system)
Families and communities are assisted in their roles as carers and supporters of people with disabilities	Establish needs assessment and service access systems which take into account family circumstances and a wide range of support options
	Purchase services which directly (respite care) or indirectly (community access and skill development) support carers and families
Service Quality And Consumer Outcomes	
A quality framework is developed and implemented to achieve consumer outcomes as determined (primarily) by consumers; and meet standards of management and service in line with the Disability Services Act and Standards	Review the Disability Services Act 1991 to identify any required changes including formalising mechanism to monitor service accountability
	Research best practice in service monitoring and evaluation
	Develop and implement a quality monitoring system which evaluates both consumer outcomes and management and service standards
	Include in the quality framework a strategy to prevent abuse in service provision to people with disabilities
	Work in partnership with the Service Provider Resource Centre in implementing the quality framework

Performance outcome	Strategies
Service Quality And Consumer Outcomes (continued)	
Alternative support models are established to efficiently and effectively address consumer needs and preferences.	Conduct research to identify best practice and innovation in provision of support to people with disabilities and to implement options best suited to the ACT
	Encourage current service providers and those tendering for new funds to propose innovative options based on consumer needs and preferences
	Implement reform of individualised funding
	Investigate potential for provision of direct funding to consumers/families as individuals or cooperatives
Consumer involvement in service planning and monitoring is enhanced	Establish a Disability Advisory Council which provides advice from a consumer perspective on access and services for people with disabilities
	Include in the quality framework a requirement for policy and guidelines on consumer involvement in service planning and monitoring and consumer satisfaction measures
Appropriate advocacy is available for people with disabilities if and when it is required	Review the advocacy system and services in the ACT and identify possible improvements
	Minimum standards and competencies for advocates to be developed and implemented
Systemic Improvement	
Tendering and contracting processes are improved to ensure that these processes promote optimum outcomes in both consumer and resource terms	Respond to Legislative Assembly Committee review of the purchaser/provider system in ACT Government
Purchasing decisions are informed by measurement of relative performance/efficiency/effectiveness	Develop consistent definitions of outputs for services which provide similar types of support and purchase against these outputs
	Use quality framework to evaluate performance in terms of consumer outputs, quality standards
Service continuity and coordination is enhanced through case management	Review and reform the case management system to clarify purpose, parameters and practice of case-management within the disability service system

ACT Attachment 3

Government outcomes

The 1998 Budget Outcomes statement lists one broad outcome for each of the following areas: community and health care; education and training; housing; environment; planning; land development; transport; municipal services; community safety and justice; emergency services; cultural and heritage; sport and recreation; economic management; public administration; the legislature.

Supporting outcomes are listed for each broad outcome. For Community and Health Care the broad outcomes is: 'the health of the people of the ACT is improved through high quality, accessible and affordable health and care services'.

The supporting outcomes are:

- support for individuals, families and communities to take care of and improve their health and well-being;
- protection from malpractice and unsafe products and processes;
- improved continuity of care;
- better informed choices of appropriate services;
- achievement of National and ACT Health Goals and Targets;
- reduced environmental risk factors;
- improved quality of life for the aged and people with disabilities;
- appropriate care and protection services for children and young people.

Northern Territory

Structures

Disability programs funding and reporting models

Strategy 21 is a new 5-year strategic plan for the whole of NT Health Services. It emphasises the purchaser-provider model for service delivery, and increased out-sourcing. The plan sets out the conceptual basis of the desired purchasing model, and possibilities for implementation are currently being investigated.

The Disability Services 5 Year Strategic Plan (1997–2001) sets out vision, mission, principles, goals, strategies and performance indicators for the Disability Services Program. Strategies include changing the focus from funding services to funding outcomes for consumers (e.g., by developing flexible service models that are responsive to individual needs); implementing needs-based planning and output-based funding; ensuring that services achieve quality outcomes and are accountable to service users; support services to achieve agreed outcomes through funding and service agreements. The Plan's strategies will be implemented through action and expenditure decisions in annual Business Plans at regional, divisional, branch and work-unit levels. They will include measurable annual outcomes. The data/information implications of the performance indicators identified are not discussed in the document. (See NT Attachment 1 for the 7 goals and corresponding performance indicators.)

Service Agreements with NGOs are currently being redeveloped. However, reporting requirements under the new agreements will still be very limited—organisations will be required to produce an activity report once a year and provide a copy of their annual report.

Territory Health Services (THS) has no current funding formulae for disability services.

Service models

Most services are currently provided through block grants to non-government service providers, and no input or output information is collected. The providers are awarded grants on the basis of submissions and are required only to provide an expenditure acquittal.

The launch of the Disability Program 5 Year Strategic Plan saw the start of 'Care Coordination', a service provision model similar to Local Area Coordination (as implemented in WA). Care Coordination is well established in Darwin, and is being expanded to other districts. Possibilities for a 'single point of entry' model are being investigated in conjunction with Care Coordination—such a model might provide a common point for data collection.

One of the 'strategies' identified in the Disability Services Strategic Plan is to 'establish a brokerage fund which allows provision of individualised support arrangements for consumers'.

Quality standards, etc.

The Disability Services 5 Year Strategic Plan (1997–2001) endorsed the development of culturally appropriate Disability Services Standards for the NT. These Standards, based on the National Standards, have now been developed. There are 8 standards, each with a

number of supporting standards. For each supporting standard there is a list of supporting practices and examples of poor practice. Approval of the Standards was conditional upon an undertaking that they would not cost any extra money to implement. A 'Northern Territory Disability Service Standards Implementation Guide' is currently in production and will contain notes on each of the supporting standards and examples of relevant policies and procedures.

Data

Data needs identified

Care Coordination: numbers of people receiving a service, individual support needs, services provided to each person, outcomes (e.g., quality of life improvements and consumer satisfaction).

Information on unmet need was identified as data that should be collected through the CSDA MDS.

What data sources are currently available/planned?

THS currently has no central data collection system other than CSDA MDS.

A Community Care Information System for the whole of THS is being developed.

What units of service are used for defining outputs?

There are currently no 'units of purchase' used in the NT.

What data are currently collected that are or can be used for measures of input, output, outcome, etc.?

Information on expenditure per year is collected for CSDA services.

Information collected under service agreements is not aggregated at any level.

Service costing: what attempts have been made and what difficulties identified?

The Office of Disability does not have the resources to measure costs of care and there are currently no standard and agreed approaches to costing.

What measures of need/demand are used?

Data provided by ACROD NT are used to indicate demand—numbers of clients receiving various service types and numbers on waiting lists. It is acknowledged that these data have shortcomings (e.g., double counting).

Some ad hoc studies have been done on the level of unmet need. A survey in which service providers and Territory Health Services personnel were asked to identify people with profound or severe disability with critical unmet needs for support or who were receiving services inappropriate to their needs found that 130 people had critical unmet needs across the Territory. Categories of unmet need were: (i) people with disabilities who are long-term patients in a hospital; (ii) Indigenous people with a disability who are in accommodation

services away from their communities; (iii) young people with disabilities in aged care facilities; (iv) people not receiving services or receiving inadequate services; (v) people at risk of losing current support; (vi) people with a disability accommodated in a mental health facility; (vii) people whose accommodation is unsuitable for other reasons and (viii) people on waiting lists for accommodation or support.

Results showed that waiting list information is unreliable as an indicator of unmet need—of the 130 people with unmet needs only 19 were on a waiting list for a service.

Materials drawn on

Senior K 1998. A survey of critical unmet need of people with severe disabilities in the Northern Territory. Territory Health Services.

Territory Health Services 1997. Disability services: five year strategic plan 1997-2001.

Territory Health Services 1999. Northern Territory disability service standards.

Territory Health Services 1999. Strategy twenty-first century—strategic intent.

NT Attachment 1

The seven goals identified in the NT Disability Services Five Year Strategic Plan (1997–2001) and performance indicators

Goals	Performance indicators
Increase consumer focus and accountability	Extent to which planning and service delivery process provides opportunities for consumer/carer input
	Level of consumer/carer satisfaction with service outcomes
	Extent to which National Disability Service Standards are met by services.
Improve access to and coordination of services	Proportion of eligible consumer population with access to service coordination
	Level of consumer/carer satisfaction regarding access to information and service coordination
	Extent to which agreed service coordination arrangements are implemented across services, programs and providers.
Increase support for families and carers	Proportion of carers accessing respite and other support services
	Level of carer satisfaction with support to assist them in their care role
	Level of carer satisfaction regarding access to mainstream family support services
Address gaps in services	Proportion of identified need which is met or unmet
	Proportion of funding allocated to specified target groups
	Extent to which appropriate policy and procedural documents are developed and implemented
Develop services in rural and remote areas	Proportion of funding allocated to rural and remote services
	Proportion of rural and remote consumers accessing services in rural and remote areas and in urban areas
	Level of consumer and carer satisfaction with cultural appropriateness of services and information provided
	Extent to which services planning and delivery processes provide opportunities for rural and remote communities to have input
	Number of Aboriginal people employed in services
Improve partnership with non-government sector	Proportion of funded services operating under service agreements
	Extent to which agreed service outcomes are achieved
	Number of non-government sector employees accessing training
	Proportion of funding allocated for development of innovative services
Promote early intervention	Proportion of eligible consumers accessing early intervention services
	Level of carer satisfaction with access to early intervention services
	Community understanding of lifestyles and behaviours which assist in the prevention of disabilities

Commonwealth

Structures

Whole of government funding and reporting models

In its response the Department of Family and Community Services stated that there are no purchasing or performance models recommended by Treasury or the Auditor General.

However, a Department of Finance and Administration (DoFA) publication presents information on the new accrual based, output- and outcome-focused resource management framework (Accrual Information Management System: AIMS)—1999–2000 is the first full accrual budget for the Commonwealth. Under the new system agencies will have more responsibility for constructing financial estimates. DoFA will retain a quality assurance role with a more strategic focus. The new AIMS system will not record agency transactions but will collect high-level agency data for budgeting and reporting purposes.

Attached to the DoFA publication are guides to better practice (aimed at Government agencies), covering the 'integrated planning cycle' (advocating the 'balanced scorecard' as a good approach), internal budgeting, internal management reporting, etc. This material focuses on links between higher level objectives (corporate and business plans) and processes at the operational level. While outcomes are mentioned (and it is stated that outputs should contribute to outcomes) there is no specific information about how outcomes should be measured or reported.

Disability programs funding and reporting models

The Commonwealth Disability Services Program operates within the Commonwealth Department of Family and Community Services (FaCS). It has responsibility for specialist employment services and advocacy for people with a disability, as well as the provision of funding to State and Territory governments under the CSDA.

Currently, employment assistance funding is provided to non-government organisations in the form of block grants. Under the funding agreement with the Commonwealth, organisations are required to meet a number of 'performance indicators'.

Reporting requirements are detailed in the '1999-2000 Service Agreement for Employment Assistance'. By the conclusion of the Funding Year, the funded organisation must achieve performance targets specified in its Service Outlet Performance Plan. Performance reports, providing an assessment of actual outcomes against targets, must be submitted each 6 months. Performance targets are expressed in terms of numbers of clients (new job seekers, new job seekers aged 15–24, new workers, re-placement workers, continuing workers, continuing worker part year, independent workers and number of wage subsidies required). These seem to constitute the 'performance indicators' referred to in the Department's response. 'Specific contracted requirements' may also be detailed in the Agreement.

A form for additional performance information is included as an attachment to the Agreement. On this form the total number of new job seekers is broken down by source (Centrelink or other), status (accepted and commenced, not accepted and waiting list), and age (15–24 or >24). The total number of workers is broken down by hours per week, and duration of employment. The total number of people assisted is broken down by 'no work in

reporting period', 'workers meeting the Worker Target' and 'workers not meeting the Worker Target' (further explanation of these targets would be useful). There is also 'snapshot' information: number of job seekers and workers on two snapshot days, at 1 July 1999 and 30 June 2000.

Service models

The Department of Family and Community Services is planning a 2 year trial of case based funding in employment assistance for people with disabilities, intended to begin in October 1999. The aim of the trial is to determine whether case based funding will provide services with greater flexibility and opportunities for innovation in meeting the employment needs of job seekers.

Under the proposed model, payments to service providers are based on the relative needs of their job seeker clients. The Job Seeker Classification Instrument (JSCI) is used to determine relative level of assistance required, taking a range of factors into account. It is proposed that relative levels of assistance will be grouped into three funding bands. Service providers would not have to spend the precise amount of funding allocated on a particular job seeker to achieve employment outcomes (i.e., some people will need more assistance and some less within each band). Payments will be linked to employment outcomes, and will be paid in three instalments: a placement payment, an interim outcome payment (when the client has been in employment/training for 13 weeks) and a final outcome payment (when the client has been in employment for 26 weeks).

Quality standards, etc.

The *Disability services standards: revised handbook, 1997* sets out the 11 disability service standards, each with supporting standards and examples of practice. A distinction is made between minimum standards, enhanced standards and eligibility standards.

A guide to monitoring the standards is provided. Combined consumer and service provider internal assessment against the standards is encouraged—with a focus on promoting continuous quality improvement, rather than regulation. An action plan is developed as part of the annual combined assessment (required under the Service Agreement), and each year the previous year's plan must be formally acquitted.

In the case of failure to meet the Disability Service Standards the Minister may take any of a range of specified actions set out in the service agreement (including terminating or reducing the scope of the Agreement).

Performance-related concepts

In its response for the Indicators Project FaCS states that 'there is little quality information from pre-existing sources. The reasons for this are that it is difficult because outcomes are hard to quantify in these areas. Although, data such as the number of assessments/audits conducted, number of training courses and number of complaint might substitute. Another difficulty is that jurisdictions have different quality assurance processes, which leads to a lack of ability to compare quality and consumer outcomes across jurisdictions.'

The '1999-2000 Service Agreement for Employment Assistance' (a standard agreement used for all organisations funded under block grants to provide employment assistance to people with disabilities) contains requirements relating to services meeting the Disability Service Standards and 'performance targets' (expressed in terms of number of clients in various

categories). In its response the Commonwealth states that indicators are collected and monitored by the Department—it seems that this statement is referring to 'performance targets' specified in the Service Agreement.

The Department of Finance and Administration, in its publication on the new accrual-based, outcome and output-focused resource management framework, defines outcomes as the 'results, impacts or consequences of actions by the Commonwealth on the Australian community', and outputs as the 'goods and services produced by agencies on behalf of government for external organisations or individuals'.

In the consultation paper for the planned case-based funding trial 'employment outcome' is defined as work which is for an average of at least 8 hours or greater per week and at a wage which is either award based or part of a legal industrial agreement.

Data

Data needs identified

Several data needs were identified:

- Data on older workers in Commonwealth-funded employment services approaching retirement, including information on numbers of workers intending to retire and when.
- Information on the kind of assistance needed by workers and their families to facilitate the transition from work to retirement. FaCS is currently conducting a study on the 'Transition from work to retirement' to identify issues concerning retirement of workers in Commonwealth funded disability employment services.
- Data on unmet need and ageing carers
- Information on quality that is comparable between jurisdictions.

For Part 7 of the CSDA (specific information needed detailed in response):

- Demographics in each jurisdiction—how many people have a disability, age, sex, etc.
- Service information—how many services, who accesses them, etc.
- Access information—waiting list information, how many people did not receive adequate help, etc.
- Efficiency information—cost per place in Government and Non Government run institutional and community accommodation, etc.

FaCS states that most of this information is currently available from pre-existing sources, but there is no good estimate of 'potential population' used as the denominator in the access performance indicator developed through the Productivity Commission's work. At present, the total population of people with severe or profound disabilities is used. This is a fairly gross estimate that cannot reflect assessed level of need or relative level of need. The efficiency indicators in the same Productivity Commission set would be more accurate if the numbers of full time equivalent (or other unit of measure) places available/funded over a year was available.

What units of service are used for defining outputs?

Only client numbers are reported by funded organisations—there is no requirement to report hours of assistance provided or any other measure. Under the Service Agreement client numbers are broken into categories (new job seekers, aged 15–24, workers, etc.). There is no provision for reporting numbers of clients by level of need (though this may be reported under the case based funding model, currently being trialed).

What data are currently collected that are or can be used for measures of input, output, outcome, etc.?

During the trial of case-based funding data will be collected on clients provided with services through case based funding and through block grants. Service providers will be encouraged to accept all new job seekers where possible, and to provide information on those not accepted (so that issues of access can be examined). Data will include job seeker personal details (disability type, JSCI score, etc.), service details, and information on assistance provided, employment obtained and training undertaken.

Evaluation of the trial will look at the impact of case based funding and block grant funding models on employment outcomes and service viability. It will also assess the efficiency and effectiveness of the assessment tool used.

The 'performance indicator' information reported by organisations funded under block grants is all in terms of numbers of clients (broken down into various categories).

Service costing

As part of the case based funding trial, detailed data on cost will be obtained from some service providers and appropriate methodology will be developed to attribute service provider cost at the individual job seeker level.

Under the Service Agreement funded organisations must submit a 'Funding income & expenditure statement' annually. Income is broken into funding and income generated from funding (presumably this only includes government funding sources). Expenditure is broken into various uses under employment assistance related (salaries, rent, etc.), wage subsidies and funds transferred to another outlet. There is no suggestion that this information is used for any purpose other than demonstrating accountability.

What measures of need/demand are used?

In the Department's response it is stated that the AIHW estimates of unmet demand are of limited usefulness because they are based on self-assessment survey data. Data derived from program management systems, showing number of 'eligible clients' and their relative level of need, would be more useful.

Materials drawn on

Commonwealth Department of Health and Family Services 1997. Disability services standards: revised handbook.

Department of Family and Community Services 1999a. 1999-2000 service agreement for employment assistance under the *Disability Services Act* 1986 (Cth).

Department of Family and Community Services 1999b. Disability employment assistance case based funding trial. Consultation paper.

Department of Finance and Administration The new framework: accrual budgeting project.

Skea D 1999. Using the balanced scorecard approach to implement an outcome and output budgeting model.