



NSW Department of
Community Services

Guide to tools used in Performance Monitoring Framework for DoCS funded services

Performance Monitoring Framework (PMF) for Funded Services

The Performance Monitoring Framework for Funded Services (the PMF) describes the approach DoCS uses to demonstrate that funds are used efficiently and effectively, consistent with Government priorities and community needs.

Performance monitoring ensures that funded services:

- comply with the Service Agreement
- achieve results set out in the Service Specification
- make progress in integrating the DoCS Good Practice Guidelines into their practice¹.

The PMF replaces a range of DoCS accountability and performance management strategies with a single, standardised and streamlined approach to performance management that is based on:

- the Service Specification (agreed expectations)
- risk assessment, to identify service providers that require close monitoring
- self assessment by the majority of funded services
- audit of self assessments by DoCS
- an agreed Performance Improvement Plan, where performance is judged to be below expectations.

The PMF makes use of two tools:

1. Service Monitoring and Review (SMR) tool
2. Performance Improvement Plan (PIP)

This guide is to assist funded services and Partnership and Planning teams to use these performance monitoring tools.

Risk Assessment

At the start of the financial year, DoCS staff completed a risk assessment of all service providers using a standardised tool – the Risk Assessment Worksheet. Based on the results of this exercise, service providers will be asked to either

¹ Except OOHC services/projects because these must comply with OOHC Standards.

undertake a Self Assessment or cooperate with DoCS to review the performance of the service provider through a Joint Review.

Tool 1 Service Monitoring and Review tool

In general, the Service Monitoring & Review (SMR) tool gathers four types of information:

1. any variation/departures from what was agreed in the Service Agreement and Service Specification
2. explanations for any such changes
3. a judgement about the extent to which the service provider complies with the Service Agreement/Specification
4. where a service provider is non-compliant or only partially compliant, the tool requires that actions be identified to achieve compliance.

The SMR tool comprises eight parts, corresponding to the structure of the new DoCS Service Specification.

Parts 1 to 6 of the tool gather information on a service provider's activities, the client group, the geographic area it operates within, service data collection, financial management and application of DoCS Good Practice Guidelines.

For SAAP services, part 7 of the SMR tool is completed using data supplied annually by the National Data Collection Agency (NDCA). This information is listed in an appendix to the annual data report for each SAAP service provider.

Part 8 of the SMR tool provides space for service providers to record their feedback on the monitoring process. Agencies could use part 8 to record information about important external factors that may be impacting on performance.

The SMR tool has three uses in PMF:

1. Joint Review, where representatives of DoCS and the service provider jointly review performance
2. Self Assessment, where a service provider completes the SMR tool without DoCS involvement
3. Audit of up to 10 percent of service providers that have undertaken a Self Assessment, selected by DoCS at random.

Joint Service Monitoring and Review (Joint Review)

Joint Review is a process where DoCS and a funded service provider jointly work through the SMR tool to arrive at conclusions about performance. If the Joint Review indicates that there are problems, a Performance Improvement Plan (PIP) will be developed jointly.

The Joint Review process follows these steps:

1. A DoCS representative will contact the service provider to schedule one or more meetings to work through the SMR tool. DoCS will provide at least two weeks' notice of the first meeting.
2. At the meetings, DoCS and the service provider will examine its performance and fill in the SMR tool. Services should prepare for Joint Review by considering the prompts listed in the attachment to this Guide.
3. DoCS will provide a draft of the completed Joint Review to the service provider to comments on before it is finalised.
4. The Joint Review is co-signed by the DoCS representative and a representative of the service provider.
5. The minutes from Joint Review meetings, a copy of the SMR tool and other relevant papers form part of DoCS' permanent record about the service provider.
6. If the Joint Review identifies non-compliance or only partial compliance on any of parts 1 to 6 or non-achievement of the results described in part 7, the DoCS representative will work with the service provider to develop a Performance Improvement Plan.

Self Assessment

Self Assessment is a process where the service provider reviews its performance and completes the SMR tool without DoCS direct involvement².

Once the Self Assessment is completed and submitted to DoCS, it will be filed.

Before beginning Self Assessment, the service provider should consider:

- how to go about assessing the level of compliance
- who should be involved in this process
- what documentation or other evidence may be available or could be created?

² Services will have access to DoCS' regional staff for advice and assistance during the process.

The Self Assessment process follows these steps:

1. DoCS Network Offices will provide services with paper copies of the SMR and PIP tools, the Guide and links to electronic versions. Service providers will complete the tools within a given timeframe.
2. Staff will work through the sections of the tool assessing their service's performance against the Service Specification. A list of prompts to assist in completing the tool is attached to this Guide (Attachment A). It is not an exhaustive list and agencies are encouraged to be creative in selecting or presenting information in support of their Self Assessment.
3. Where staff judge that their service is 'not compliant' or only 'partially compliant' with any of parts 1 to 6 or not achieving the results described in part 7, they will also develop a Performance Improvement Plan (PIP).
4. Attachment B provides assistance in completing part 7, section G.
5. The service will forward copies of the completed SMR tool and the PIP to the relevant DoCS Network Office. The service provider should keep copies of these documents as well as any supporting papers used in self assessment.
6. CPOs will keep the completed Self Assessments on file, pending advice from Head Office about selection for audit. The Self Assessment forms part of DoCS' permanent record about the service provider.

Audit of Self Assessments

Under DoCS' Performance Monitoring Framework, audit is how DoCS assures itself that Self Assessments accurately reflect the performance of service providers. Audit is undertaken with a small number of service providers – currently 10 percent - selected at random from agencies that have undertaken a Self Assessment. Service providers that take part in a Joint Review are not audited under PMF.

Services providers are selected randomly by DoCS Head Office for audit and the results of this random selection process are communicated to DoCS' Partnership and Planning teams for their action.

Where performance issues are identified through the audit meeting, DoCS will work with the service provider to identify what improvements should be made in a Performance Improvement Plans.

The Audit process follows these steps:

1. Audit is a formal process. Services will be contacted to schedule a meeting for the purpose of working through the Self Assessment (and Performance Improvement Plan that may have been drafted for the service provider). Services can expect at least two weeks notice of this meeting.
2. Agencies should prepare for Audit by locating relevant papers and ensuring that evidence is on hand to support the conclusions described in the Self Assessment.
3. Representatives of DoCS and the service provider will meet to examine documents. Interviews with management, staff and service users may also be used to confirm Self Assessment conclusions and Audit findings.
4. Services will be provided with written feedback on the Audit.
5. If the Audit concludes that the service provider is not compliant or only partially compliant on any of parts 1-6 or has not achieved the results described in part 7, it will be necessary to develop a Performance Improvement Plan.
6. The minutes from Audit meetings and copies of relevant papers will form part of DoCS permanent record about the service provider.

Record Keeping

After the service provider and their CPO have completed the Joint Review, or Audit, the CPO will place the completed review, and minutes from the meeting, on the service provider's file in the regional office.

Knowing which documents to copy and retain on file will rely on the discretion and good judgment of DoCS' Partnership and Planning teams. As many different documents could support a joint review or audit, there is not mandatory requirement to copy all, or any. CPOs may choose to copy some documents or list them in a schedule after sighting them.

Tool 2 Performance Improvement Plan (PIP)

The Performance Improvement Plan (PIP) is an agreement between the service provider and DoCS about actions it will take to improve its performance. The PIP tool reflects the structure of the new DoCS Service Specification and the SMR tool.

Complete the PIP by transferring actions in the SMR tool addressing non-compliance to the 'Steps for Improvement' column of the PIP. For each of these actions, allocate a priority by referring to the Priority Matrix (last page of the PIP tool).

The Matrix shows that an action that is **both** '*High or Medium Impact*' and '*High or Medium Urgency*' will be priority 1. Actions that are not urgent and are expected to have only 'Low Impact' will be priority 3. Generally, give priority to remedial actions associated with Service Results (part 7), Service Activities (part 1) and Financial Management (part 5).

For SAAP agencies, a PIP was not required as part of performance monitoring in financial year 2007/08. From 2008/09, SAAP service providers will be required to develop a PIP if they are rated as 'not compliant' or only 'partially compliant' on any of parts 1-6 or have not achieved the results described in part 7 (Service Results) of the SMR tool.

If a service provider is concerned that data supplied by the SAAP NDCA results does not accurately reflect its service results, it is encouraged to contact either the local Network office or its peak representative organisation for advice.

A copy of the agreed PIP will be attached to the Service Agreement/Specification for the service provider.

Prompts to assist Funded Services to complete the Service Monitoring and Review tool

The prompts listed here serve as reminders when completing the SMR tool.

It is not an exhaustive list. Service providers completing a Self Assessment are encouraged to present any information supporting their performance against the Service Specification.

1. Service Activities

Do our service results and outcomes link to the Service Specification? Can we demonstrate that:

- project work plans were developed, actioned and reviewed consistent with the Service Specification
- we conducted internal or external service reviews, and documented the outcomes
- we have implemented the recommendations from past service reviews
- we are able to roster staff with adequate training and qualifications required to provide appropriate services
- our service reports (caseworker reports, annual reports etc) detail the range of services and activities we provide
- we have additional documents (list) that show that we are providing the service activities contracted in the Service Specifications
- NDCA data confirms services we provide match the Service Specification/Service Agreement
- NDCA data confirms our service is providing early intervention and/or post crisis support as outlined in SAAP V at appropriate levels in line with the service specifications.

2. Client Group

Have we provided services to clients consistent with our Service Specifications? Can we demonstrate that:

- we document and organise relevant systems for assessments, case plans, referrals, exit, client feedback and case management
- the service provider has reporting mechanisms in place to record where clients have met case plan goals
- NCDCA data confirms that we are case managing appropriately and that our clients are achieving or mostly achieving their case plan goals
- our policies and procedures include measures to support equity of access which are utilised in assessment processes

- our case management policies and practice are consistent with the National SAAP Case Management Resource Kit
- our case management policies and practices are consistent with the Indigenous Case Management Resource Kit when working with Indigenous clients
- we document and implement client assessment and referral processes
- case plans are developed, reviewed and updated.
- we document and implement client feedback mechanisms to improve practice and service delivery
- we document and implement client complaint handling procedures
- we can provide the following additional material (list) to demonstrate appropriate client management practices.

3. Geographic coverage

Have we provided services to clients at a location that is best suited to their needs? Can we demonstrate that:

- services are provided at an appropriate level of support to clients at the locations agreed in the Service Specification
- services have tried, within available funding, to deliver services to clients at the location(s) of their choice.
- we can provide Post Codes for each client that confirms the geographic coverage provided by the service
- we have active agreements with other service providers
- we can also show geographic coverage provided to clients through the following documents (list).

4. Service Data Collection

Can we demonstrate use of internal and external data collection, service evaluation and review? Can we demonstrate that:

- data are reported through NDCA to DoCS on time
- data are used for service management and development?
- relevant staff are trained in SMART
- Annual NDCA Data Report accurately reflects client data
- we collect and share information from and with other stakeholders appropriately
- we participate in evaluation and reviews (service reviews, client satisfaction and other feedback mechanisms)
- we undertake and implement a service planning process annually
- we can list the following other examples of effective data collection and management (list).

5. Financial Management

Do we have effective budgeting and financial management policies, procedures, controls and systems in place? Can we demonstrate that:

- we submit a satisfactory (unqualified) annual audit of accounts (including Income and Expenditure Statements for each project as outlined in the Attachment 1 of the Service Agreement) to DoCS, on time
- we have in place current written financial policies and procedures that are used to allow us to operate within budget
- we ensure satisfactory accountability for funds through financial recording and control systems, fraud risk assessment policies, internal reporting and reviews, staff training and delegations
- we provide annual reports to our stakeholders which include financial reporting
- we can provide the following material which demonstrates our effective financial management practices (list)

6. Good Practice Guidelines or other Accreditation

Do we have evidence of quality improvement processes in place? Can we demonstrate that:

- we have completed a self assessment and found that we are operating consistently with the Good Practice Guidelines, or
- we have a Quality Assurance Process in place that demonstrates Operational Consistency with the Good Practice Guidelines
- we have developed a Quality Work Plan that addresses deficiencies identified in the self-assessment process.

SECTION 7 OF THE SMR TOOL

Data required to complete section 7 of the SMR tool is found in the Appendix 1 – PMF Statistics of the annual reports produced by the National Data Collection Agency (NDCA).

Sections A – F require the service to copy the information from Appendix 1 of the service’s data reports, PMF Statistics, to the tool.

Where the service has data on adults and accompanying children, the combined percentage result in the third column, “Adults & Children”, is to be used.

For **Section G**, NDCA data is supplied in two columns, with separate percentage figures for ‘Adults’ and ‘Children’, with the following exceptions:

- G2 will not have figures for accompanying children support periods as these types of supports are not provided to accompanying children.
- G7 will not have figures for adult support periods as these supports are only provided to accompanying children.

The separate figures for Section G1,3,4,5, and 6 should not be entered into the Service Result column of Part 7.

Instead, the percentage figures to be entered into this column must be recalculated by drawing on information contained in the Summary Statistics box on the front page of the NDCA report.

Recalculation is necessary because adding the two percentage figures together to create a combined figure for all clients is not legitimate (in statistical terms). This is because the two percentages are derived from different populations (ie. adults and children). Adding the two percentages together will distort the service’s reported results.

Recalculating percentages for section G requires that the base numbers used to create these Adult and Child percentages be calculated, then added together, and then a new percentage calculated. An example illustrating this process is below:

Worked Example

The Summary Statistics of the data report for **Service XYZ** shows these numbers in relation to support periods:

Summary Statistics

Total number of closed support periods	150
Total number of ongoing support periods	70
Total number of accompanying child support periods	120

To get the total number of adult support periods, both open and closed support periods are used: $150 + 70 = 220$ total adult support periods

We need the total number of adult and accompanying child support periods to calculate the percentages in G1, G3, G4, G5 and G6.

Total support periods in Service XYZ: 220 (total Adult Support Periods)
 + 120 (Child Support periods)
 = **340**

Support Types	Adults	Children	
G1 Percentage of support periods where housing/accommodation support was provided	75%	68%	

To calculate G1 in Service XYZ:

1. 75% of 220 (adult support periods) = 165 (or $165/220 \times 100 = 75\%$)
2. 68% of 120 (child support periods) = 81.6 (or $81.6/120 \times 100 = 68\%$)
3. Total number of **adult and accompanying children** support periods receiving housing/accommodation support (G1)= 246.6
4. To get the percentage of **adult and accompanying child support periods**
5. receiving housing/accommodation support: $246.6 \div 340 \times 100 = 72.5\%$

72.5% is the figure that is transferred to the Service Result for cell G1.