

Frequently Asked Questions: Output Funding and Reporting for organisations funded under the Community Services Act

What is output funding and reporting?

Output funding clarifies what is being funded or purchased and what will be delivered.

What is an output?

In very simple terms an output is a good or a service delivered to someone else which generates a desired outcome.

Outputs need to be effective in terms of their contribution to the outcomes specified by Government - ensuring effective use of funding while focusing on service users needs. For each service, governments have a number of objectives that relate to desired outcomes for the community. To achieve these objectives, governments provide services and/or fund service providers. Service providers transform resources (inputs) into services (outputs) and the impact of these outputs on individuals, groups and the community are the outcomes of the service.

What are the benefits for funded non government service providers?

Benefits for funded organisations in implementing output funding and reporting include:

- Being able to demonstrate the quantity and scope of activities delivered.
- Enabling the identification of internal costs and potential efficiencies and savings.
- More relevant and accurate service delivery reporting data that can inform sector planning (e.g. future planning and investment opportunities).
- Supporting greater flexibility for service models.
- Transitions service provision funding to simpler and more consistent reporting arrangements supporting greater flexibility for service models.
- Better capacity to identify and plan the most appropriate mix of outputs in response to client demand within a service delivery system.

What are the benefits for Government?

For government, the benefits are anticipated to:

- facilitate a more transparent alignment of funded service delivery to strategic objectives
- enhance clarity of the funding relationship with funded service providers; and

- enable better data and planning strategies to respond to need.

How are outputs measured?

Outputs can be measured in hours, places, kilograms (of food) or milestones. An [Outputs Catalogue](#)* has been developed to clarify what the department is funding and how it will be measured.

The Outputs Catalogue:

- contains a list of the outputs that the department funds
- maps the funded outputs to the National Classification for Community Services (NCCS)
- provides a unit of measure for each output (eg. hours, places, etc) that is applied to determine the quantity of the output provided (e.g. 100 hours) and
- contains the output definition.

Output funding and reporting clearly defines the activities or services the department purchases and the level of funding provided to deliver them.

When new service agreements are negotiated for existing funding they will be negotiated to outputs.

*The outputs catalogue is located at: <http://www.communityservices.qld.gov.au/department/funding/service-improvement/index.html>

Why is measuring and monitoring performance important?

Measuring and monitoring performance:

- provides evidence which can inform service delivery demands and supply
- provides consistent data for analysis of the efficiency and effectiveness of service delivery.

How is funding for output based service provision different from the current funding arrangements?

Currently, funding for service provision is input based, funding for output based service provision is focussed on the service provided (the output) to the service user.

OASIS the online acquittal and support information system will be adapted to include your identified funded outputs on the same screen as your current performance measures.

How are the outputs negotiated?

The process of introducing and implementing the new arrangements will be incremental as existing service agreements reach their end date.

Regional staff will contact organisations and services prior to the end date of the current service agreement and discuss relevant existing information to inform the process. The region will then provide a pre-populated proposal of outputs and measures that relate to the existing level of funding of the organisation or service. This proposal will inform negotiation and discussion on what is agreed to be included in a new service agreement. Departmental staff will work closely with organisations throughout this process.

What if I don't meet the agreed output?

If agreed targets are not met, analysis will indicate the reasons and causes for this and regional staff may seek further contextual information and advice. Relevant options to address the reasons and causes can be implemented.

What does transitioning to output funding mean for us?

For some organisations, transitioning to output funding and reporting may mean:

- a different way of collecting relevant data;
- being able benchmark against business ;and
- being able to clearly identify need and to provide evidence for future funding opportunities.

What will you do with the output data that you're collecting?

The information will provide a strong evidence base for planning and delivery of effective community services and will be provided back to the sector to assist in planning and benchmarking.

When do I have to start reporting on outputs?

When you renew your service agreement, you will be transitioned to output funding and reporting. Your reporting frequency will be found under section 6.1 of Part C-Specifications.

What help will be provided to me?

Tools and guidelines to inform data collection will be provided to organisations for data other than national collections. We will work in partnership with QCOSS (Queensland Council of Social Service) to provide support including one on one experiential on the job training, as well as online resources.

If you have any further questions relating to Output Funding and Reporting please contact your regional representative.