



Legislative Assembly for the ACT

STANDING COMMITTEE ON COMMUNITY
SERVICES AND SOCIAL EQUITY

2002-2003 annual and financial reports:
Department of Disability, Housing
and Community Services
Discrimination Commissioner
Community Advocate

March 2004

REPORT 4

Committee membership

Mr John Hargreaves MLA (Chair)

Ms Roslyn Dundas MLA (Deputy Chair)

Mrs Cross MLA

Mr Cornwell MLA

Secretary: Ms Jane Carmody

Administration: Mrs Judy Moutia

Resolution of appointment

To examine matters related to municipal, family and youth services, services for older persons, housing, poverty, children at risk and multicultural and indigenous affairs.¹

¹ Legislative Assembly for the ACT, *Minutes of Proceedings, No 2, Fifth Assembly*, p 12.

Terms of reference

1. the annual and financial reports for the calendar year 2002 and the financial year 2002-2003 presented to the Assembly pursuant to the *Annual Reports (Government Agencies) Act 1995* stand referred to the standing committees, on presentation, in accordance with the schedule below;
2. that committees are to inquire and report on the annual reports by the first sitting day in 2004.²

The schedule defined the following annual and financial reports to be referred to the Standing Committee on Community Services and Social Equity:

- Department of Disability, Housing and Community Services;
- Discrimination Commissioner; and
- Community Advocate.

² Legislative Assembly for the ACT, *Minutes of Proceedings, No 74*, Fifth Assembly, p 941.

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Summary of recommendations

RECOMMENDATION 1

2.8. The Committee recommends that the Government ensure all performance contracts with senior staff in the Department of Education, Youth and Family Services require compliance with statutory obligations in order to obtain a satisfactory appraisal.

RECOMMENDATION 2

2.15. The Committee recommends that the Government amend the Annual Report Directions to provide, for agencies with an external scrutiny function, for a specific section on issues of significant concern regarding the performance of other agencies as outlined in paragraphs 2.13 and 2.14 of this report.

RECOMMENDATION 3

2.23. The Committee recommends that the Government resource the development of more meaningful quality indicators across government agencies for inclusion in budget and performance statements.

RECOMMENDATION 4

2.27. The Committee recommends that the Government amend requirements for performance measures to ensure that where survey information is utilised, information regarding the extent of, and response rate to the survey is also included as a note to the measure.

RECOMMENDATION 5

2.31. The Committee recommends that the Government amend the format for variance disclosures to provide for accurate variance reporting where the target is expressed as a percentage.

RECOMMENDATION 6

2.36. The Committee recommends that for the purposes of annual reports, the Government require agencies to report expenditure on external labour or organisations by theme or type of service.

RECOMMENDATION 7

3.20. The Committee recommends that in future annual reports the Department of Disability, Housing and Community Services:

- **makes more use of navigational tools such as the table of contents, headers, footers and sub-headings;**
- **ensures all charts, graphs and tables are labelled and numbered and that a list of all these graphs etc., be included in the report; and**
- **increases the font size of the financial and performance statements.**

RECOMMENDATION 8

4.11. The Committee recommends that the Office of the Community Advocate provide sufficient information in its annual report to enable multi-year comparisons of its objectives and achievements.

RECOMMENDATION 9

4.14. The Committee recommends that the Office of the Community Advocate and the Department of Justice and Community Safety coordinate their annual reports so that cross referencing with page numbers is possible or, alternatively, that the Office of the Community Advocate include relevant excerpts pertaining to financial and performance information and whole of government issues within its annual report.

1. Introduction

1.1. On 25 September 2003, the Assembly referred the 2002-2003 annual and financial reports to standing committees for examination and report.³

1.2. As per the scheduled determined by the Assembly, the Standing Committee on Community Services and Social Equity is responsible for reviewing the reports from the:

- Department of Disability, Housing and Community Services;
- Discrimination Commissioner; and the
- Community Advocate.

1.3. The Committee has no recommendations to make concerning the report from the Discrimination Commissioner. The Committee notes that her report was concise, informative and easy to read and could be considered as a model for smaller agencies to follow.

Conduct of inquiry

1.4. A general advertisement, covering all the standing committees' inquiries into annual and financial reports, was placed in *The Canberra Times* and *The Chronicle* in October 2003. This advertisement provided contact details for persons wishing to comment on any particular annual report.

1.5. The Committee did not receive any submissions or requests to appear at a public hearing from the public.

1.6. The Committee heard from the relevant Ministers and agency officials on 4 December 2003 and 22 January 2004.

Scope of the inquiry

1.7. The Committee has reviewed the annual and financial reports in light of the Chief Minister's Annual Reports Directions, June 2003 (the Directions).

1.8. The Directions note the following about the function and purpose of annual reports:

Annual reports are the principal way in which agencies account for management performance through Ministers to the Legislative

³ Legislative Assembly for the ACT, *Minutes of Proceedings, No 74*, Fifth Assembly, p 941.

Assembly and the community. Annual reports are key accountability documents.

Annual Reports are also a source of information and reference about the performance of agencies and service providers for other stakeholders, educational and research institutions, the media and the public.

They are also key reference documents and documents for internal management. They form part of the historical record.⁴

1.9. Accordingly, the Committee has assessed the reports in terms of whether or not they comply with the Directions, in particular whether:

- all material information has been included in the reports – i.e., is it a balanced and credible report?;
- information included in the reports is presented in an accessible and consistent way – i.e., is it readable? Do the tables make sense? Is it appropriately cross referenced?; and
- the report complies with the basic publication and information standards.

1.10. To assist in this assessment and to clarify issues the Committee held public hearings with the relevant Ministers and their agencies. Questions were asked on a wide range of matters to do with the agencies' performances and the reporting of their performance. The transcript of proceedings provides a full record of these discussions. These can be accessed on the Assembly Internet site <http://www.legassembly.act.gov.au/committees>. Answers to questions put on notice are available from the Committee Office by phoning 6205 0127.

⁴ Chief Minister's Department, *Chief Minister's Annual Reports Directions*, June 2003, pp 5-6.

2. General comments on annual reports

Reporting requirements for “watch dog” agencies

2.1. In its examination of the annual report for the Office of the Community Advocate (OCA) the Committee was disturbed that Family Services was again reported as failing to comply with its statutory requirement to report allegations of abuse or neglect of a child in care to the Community Advocate.⁵

2.2. This was an issue that the Committee highlighted in its last report on the rights, interests and well-being of children and young people.⁶ In the report this issue is discussed in the chapter on children in care (paragraphs 6.23 – 6.29) with a specific recommendation contained in the chapter on improvements at the systemic or ‘framework’ level for enhancing accountability (see paragraphs 9.151 – 9.155). Given its level of concern about this issue the Committee is including that original text, from its earlier report here:

Excerpts - *The rights, interests and well-being of children and young people*

Chapter 6

Family Services compliance with statutory obligations

The Committee is extremely concerned at reports Family Services has failed to comply with its obligations under the Act.

For example, the OCA in its Annual Report [2001-02] notes that the Chief Executive is out of compliance with the Act for not forwarding on to OCA reports of abuse and neglect about children in care.

it must be noted that, since the introduction of the Act in 2000, the Chief Executive has consistently failed to meet her statutory requirements pursuant to Section 162 – despite a number of written requests by the OCA to do so, and despite a number of commitments on behalf of the Chief Executive to do so.⁷

⁵ Office of the Community Advocate, *Office of the Community Advocate Annual Report 2002-2003*, ACT, 2003, p 33.

⁶ The report is available at <http://www.legassembly.act.gov.au/committees/committees.asp?action=reports&committee=33&session={16%2F02%2F2004+10%3A38%3A39+AM}>.

⁷ Office of the Community Advocate, *Office of the Community Advocate Annual Report 2001-2002*, ACT, 2002, p 65.

The OCA's Annual Report also notes that the Chief Executive is not complying with the requirement to provide Annual Review Reports for all children on care and protection orders.⁸

Not only does it appear as if case workers (those within the regional offices of Family Services who write the Review Reports) remain either unaware or unimpressed by both statutory and policy obligations, however that the managers of these workers (who co-sign each Review Report) appear to have little capacity or will to change this situation.⁹

These reports are a means by which the activities of the Chief Executive are transparent and accountable to the court, children and young people, their parents and their carers, and the OCA. More importantly though, they provide the only real narrative for that period of the child's life.

It is disturbing that the OCA had to make 45 applications to the Children's Court in 2001-02 for an order that a report be provided. No less disturbing is the statement that the Chief Executive responded to just 3% of all letters written by the OCA in regard to concerns over Review Reports.¹⁰

While the Committee acknowledges that Family Services is now in the middle of a Re-Focus, and that there are some measures now in place to prevent these issues from occurring in the future, the Committee is very concerned that the situation as described above by the OCA (and other witnesses) occurred in the first place.

In the Committee's view, the fact that Family Services could operate in such a manner and be so unresponsive to the concerns of the OCA - which is the key statutory authority responsible for overseeing Family Services' actions - suggests that serious consideration needs to be given to the effectiveness of the oversight regime for Family Services.

Chapter 9

Enhancing accountability

The accountability of senior Family Services staff emerged as a significant issue during this inquiry. The issue was particularly highlighted for the Committee in terms of the lack of compliance with statutory obligations, which is discussed in Chapter 6.

⁸ Office of the Community Advocate, *Office of the Community Advocate Annual Report 2001-2002*, ACT, 2002, p 61.

⁹ *ibid.* p 66.

¹⁰ *ibid.* pp 61 & 67.

The Committee's concern is that there appear to be limited repercussions when senior staff fail to ensure compliance with statutory obligations (obligations designed to protect and promote the rights, interests and well-being of children and young people).

The Committee notes that while Ministers must delegate certain powers and functions to their Departments and similarly, Chief Executives delegate powers and functions to staff, Ministers should continue to remain accountable for their Department's actions.

The Committee therefore considers that the performance contracts for all senior staff, at least in the Department of Education, Youth and Family Services, should contain an explicit statutory compliance criterion, which must be met, in order to be judged as satisfactorily performing one's duties.

Recommendation 39

The Committee recommends that the Government ensure all performance contracts with senior staff in the Department of Education, Youth and Family Services require compliance with statutory obligations in order to obtain a satisfactory appraisal.

2.3. At the time of the Committee's hearings into the OCA's 2002-2003 annual report for this inquiry, the Government had not presented its response to the Committee's earlier report on the rights, interests and well-being of children and young people. i.e., the Committee did not know whether the Government would respond appropriately to the seriousness of this issue. However, the fact that the OCA again raised the issue of statutory non-compliance in their report, despite the assurances provided by the Department of Education, Youth and Family Services during the earlier inquiry that these sorts of systemic problems were being addressed, was extremely alarming.

2.4. Accordingly the Committee pursued this matter again during this inquiry with the Attorney General and put the following question on notice:

Section 162(2) reports provided to the OCA

Could the Attorney General please comment on the Government's approach to Chief Executive Officers that are reported to have failed to comply with their statutory obligations?

2.5. The Attorney General responded:

Chief Executives have broad obligations under the Public Sector Management Act to comply with statutory obligations in accordance with territory laws and exercise reasonable care and skill. The Government's approach to breaches of statutory obligations will depend upon the individual circumstances involved.¹¹

2.6. On 21 January 2004 the Government announced a Review of the Safety of Children in Care in the ACT and of ACT Child Protection Management. The terms of reference for that review specifically include the issue of failing to fulfil statutory obligations.

2.7. In light of this current review, the Committee will not comment on this specific matter further at this stage. However the Committee would like to repeat its earlier recommendation relating to this issue contained in its report on the rights, interests and well-being of children, namely:

Recommendation 1

2.8. The Committee recommends that the Government ensure all performance contracts with senior staff in the Department of Education, Youth and Family Services require compliance with statutory obligations in order to obtain a satisfactory appraisal.

2.9. In case there is any doubt as to what this specific recommendation means, the Committee is recommending that the Government ensure accountability by putting appropriate systems in place that would require the feedback of persons such as the Community Advocate for senior staff performance appraisals.

2.10. The Committee also believes that underlying this broad issue is another systemic issue, which is the use made of annual reports from what may be termed the Territory's "watch dog" agencies. The Committee is concerned that significant issues, which have arisen out of the external scrutiny role of agencies such as the OCA, may not be readily apparent within the structures for their annual reports.

2.11. The OCA, like a number of other agencies, has a key role in monitoring the practices and performance of government agencies. In that regard, part of their annual reporting obligation is to highlight the failings of other agencies. This is a significant difference from other agencies' annual reports.

¹¹ Response to question on notice from the Attorney General dated 23/12/03.

2.12. The Committee is of the view that this different role is not currently adequately reflected in the Directions for these agencies. Specifically, the Committee is concerned that there is insufficient instruction within the Directions to ensure that any issues raised can be easily identified by Government, the Assembly and the community.

2.13. The Committee believes that this issue could be addressed through requiring agencies with an external scrutiny role to have a specific section in their annual report, which outlines in a summary fashion any significant issues of concern regarding the performance of other agencies. Such a section should:

- have a clear and unambiguous title;
- provide a brief explanation of the issue; and
- contain a concise outline of the action taken by the agency to bring these issues of concern to the attention of the relevant agency and that agency's response.

2.14. The objective of such a section would not be to go into substantive discussion of the areas of concern, but rather to ensure that all areas of significant concern held by the agency about the performance of any other agency are immediately apparent to the reader. (The issues could be canvassed in a more substantive way elsewhere in the text with appropriate cross-referencing provided.)

Recommendation 2

2.15. The Committee recommends that the Government amend the Annual Report Directions to provide, for agencies with an external scrutiny function, for a specific section on issues of significant concern regarding the performance of other agencies as outlined in paragraphs 2.13 and 2.14 of this report.

Performance information

2.16. The Committee is concerned about the quality of some of the performance information contained in annual reports. The following comments are included here under 'General comments' as the Committee believes these issues require whole of government solutions and are not unique to the agencies whose reports the Committee examined. The Committee notes that a number of other committees have made similar comments in previous reports.

Measuring Quality

2.17. The Committee has observed that a number of agencies' annual reports (not just those that the Committee examined) use the following as a quality indicator:

“Funded organisations' satisfaction with government contract administration”

2.18. The Committee is of the view that measuring a service provider's satisfaction with government is not the same thing as measuring a client's satisfaction with services provided by the service provider. The former evaluates processes used to achieve an outcome whereas the latter potentially evaluates the outcome itself.

2.19. For example, Output 1.3 of the Department of Disability, Housing and Community Services is Supported Accommodation and Community Services. The Quality/Effectiveness measure is, as noted above, “funded organisations' satisfaction with government contract administration”.¹²

2.20. In response to a question on notice the Minister advised that:

The Community Services area undertakes an annual survey of all community organisations funded through the Community Services Program and the Supported Accommodation Assistance Program. Organisations are asked to rate the importance of the work of departmental program officers to their organisation, the performance of program officers and overall satisfaction with the service provided by the Community Services area, along with any suggestions for improvements to the service provided by the Community Services area.¹³

2.21. The response above affirms the Committee's view that this kind of measure does not provide information about the effectiveness or quality of the actual services being provided to the community. Further, the Committee does not believe that measures included in output performance statements are the vehicles for expressing whether or not the agency and the organisations they fund have a satisfactory relationship.

2.22. The Committee notes the intention of this Department to begin work on developing a whole of department approach to assessing client service

¹² Department of Disability, Housing and Community Services, *Department of Disability, Housing and Community Services Annual Report 2002-03, Volume Two*, ACT, 2003, p 223.

¹³ Response to question on notice (# 9) from the Minister of Disability, Housing and Community Services dated 30/1/04.

satisfaction in 2003-04.¹⁴ The Committee is of the view however that this issue ought also to be addressed on a whole of government basis.

Recommendation 3

2.23. The Committee recommends that the Government resource the development of more meaningful quality indicators across government agencies for inclusion in budget and performance statements.

Reporting of survey data

2.24. Following on from the more general issues relating to quality indicators is the reporting of surveys that have been used to assess quality and/or effectiveness.

2.25. Where surveys are used for performance evaluation the Committee believes that more information about the survey itself should be provided to give the reader confidence regarding the analysis of the results. Accordingly the Committee is of the view that measures that involve surveys should, for transparency, incorporate a one sentence note that indicates:

1. how many people/groups were surveyed (both the actual number and whether this represents all relevant people/groups or a random/select number); and
2. how many responded (i.e., the response rate).

2.26. Without this information, survey data can be extremely misleading. For example, one of these measures might indicate that 70% of clients were 'satisfied'. On the face of it 70% satisfaction does not look too unreasonable, particularly if the target was 70%. However if 15 clients were sent surveys and only 10 responded, of which 7 were satisfied, is it really true to say that 70% are satisfied when less than 50% of the total clients have even provided a response?

¹⁴ Department of Disability, Housing and Community Services, *Department of Disability, Housing and Community Services Annual Report 2002-03, Volume One*, ACT, 2003, p 57.

Recommendation 4

2.27. The Committee recommends that the Government amend requirements for performance measures to ensure that where survey information is utilised, information regarding the extent of, and response rate to the survey is also included as a note to the measure.

Format of variance disclosures

2.28. Where a target is expressed as a quantity, the variance column reports the percentage difference between the target and the result. However where the target is expressed as a percentage (as is often the case for quality/effectiveness measures), departments are required to report the *simple difference* between the target and the result.

2.29. The Committee is of the view that this can be very misleading. The following examples from the Statement of Performance for Output Class 1: Public Housing under the Department of Disability, Housing and Community Services¹⁵ illustrate how this rule can mask both positive and negative results.

Quality/Effectiveness – repairs and maintenance expenditure

The target was 3.5% expenditure as a proportion of the average building value and the result was 2.7%. The variance is listed as -0.8% or the simple difference between the two. However the variance is actually -23% on the original target percentage (2.7% as a result is 77% of the original target of 3.5%).

Result – Target = Variance, but %Variance = (Variance ÷ Target) x100

i.e., 3.5–2.7= 0.8, therefore % Variance = (0.8 ÷3.5) x100 = 22.85714%

Timeliness – tenants over 8 weeks in arrears

The target was 3% of tenants over 8 weeks in arrears and the result was 2%. The variance is listed as 1%, however the variance is actually 33%. (i.e., they hoped only 3% would be 8 weeks in arrears and their result was 2%, or 111 fewer tenancies in arrears than anticipated.) In this case the Department's success is not apparent.

¹⁵ Department of Disability, Housing and Community Services, *Department of Disability, Housing and Community Services Annual Report 2002-03, Volume Two*, ACT, 2003, p 274.

2.30. The Committee understands that agencies reporting their percentage results in the manner above are complying with Government accounting requirements. The Committee is of the view that these requirements should be changed.

Recommendation 5

2.31. The Committee recommends that the Government amend the format for variance disclosures to provide for accurate variance reporting where the target is expressed as a percentage.

Contractors and consultants

2.32. The Committee is concerned that the reporting of expenses incurred for “contractors” and “consultants” – which generally occurs separately in annual reports – does not enable a proper and thorough review of types of expenditure.

2.33. The Department of Disability, Housing and Community Services informed the Committee that in reporting the two categories of expenditure it uses the definitions provided by the Chief Minister’s Department, which are:

Consultants are a form of external labour contracted to provide high level managerial professional or technical advice. Contractors are external organizations or persons contracted to perform specific or routine tasks.¹⁶

2.34. The Department further noted that using these definitions means that services from the same provider could potentially be in either category. For example, recruitment services could be classified as either consultants or contractors.

2.35. The Committee is concerned that the above definitions and separate reporting according to these definitions makes it difficult to determine how much is being spent on particular types of service or functions.

Recommendation 6

2.36. The Committee recommends that for the purposes of annual reports, the Government require agencies to report expenditure on external labour or organisations by theme or type of service.

¹⁶ Correspondence from the Department of Disability, Housing and Community Services dated 13/1/04, p 10.

3. Department of Disability, Housing and Community Services

3.1. The Department of Disability, Housing and Community Services was formed on 1 July 2002. The Department now administers functions that were previously in:

- Department of Education, Youth and Family Services (formerly the Department of Education and Community Services)
- Department of Urban Services
- ACT Health; and
- ACT Community Care.

3.2. The 2002 – 2003 Annual Report is therefore the Department's first annual report. In terms of the Committee's assessment of the report this means that no direct comparisons are possible with previous years' reports (multi-year comparisons of outputs require a search through a number of different agencies' annual reports). It also means that this report sets a benchmark for future reports and the Committee has assessed the report accordingly.

3.3. The Committee recognises the difficulties associated with establishing a new department and the additional, significant pressures placed on the new department with the January 2003 bushfires. The Committee considers that the Department's first report is a commendable effort and the comments and recommendations that follow are to be interpreted in that context.

3.4. In terms of credibility and balance, the Committee notes that the Chief Executive's overview describes both the achievements of the Department, as well as the challenges faced by the Department including those areas where predicted outcomes did not eventuate. In addition financial challenges of the future are acknowledged in Volume Two. The Committee commends the Department for providing this information in a forthright manner.

3.5. With regard to accessibility, the Committee notes that a summary report is available in large print, Braille, spoken cassette/compact disc and eight community languages.

3.6. The Committee commends the Department for its efforts in making the key points of the report accessible to a wide number of stakeholders and members of the community.

3.7. The Committee also commends the Department for taking steps to ensure that the financial information, which is often difficult to understand, was as “reader friendly” as possible. In particular, the Committee notes that:

- the discussion preceding the financial statements (in Volume Two) was in “plain English”; and
- explanations were provided for key terms and concepts.

3.8. The Committee notes the use of consistent formats for the summaries of activity for each output. The narratives for each output followed the following format:

- Output description
- Changes to this Output
- Service Description
- Senior officers and Staff
- Key Achievements for 2002 – 2003
- Relationship with the Community in 2003-03
- Expert Assistance Provided in 2002-2003
- Government Responses, Frameworks and Action Plans
- Output Performance Summary
- Future Directions

3.9. The use of a consistent format greatly assists the reader in both understanding information as it relates to each output, and also in comparing information between the outputs. Where appropriate, referencing with page numbers was used to indicate where more detailed information could be found.

3.10. Another key feature of the report is that it includes comprehensive contact information. After each section a specific officer (with contact details including their phone number) is provided for persons seeking further information. The Department is to be commended for providing individual officers as contacts for further information, rather than a generic telephone number.

Areas for improvement – Navigation, identification and legibility

3.11. The Committee considers that there are three main areas where the report could be improved, they are ease of navigation, clearer identification and explanation of charts, graphs and tables and the legibility of the financial information. These issues are addressed briefly below.

3.12. The Department's report comprises two volumes and is close to 500 pages long. In the Committee's view the report's length and the breadth of material within the report, requires a more effective and comprehensive use of navigational tools such as headers, footers and sub-headings.

3.13. For example, while footers are used throughout the report noting the chapter on the right hand page, the Committee would recommend that headers be also used to note the sections within chapters. This would greatly assist the reader to navigate within chapters, particularly where chapters have many pages of similar looking tables (for example the tables outlining community consultation, expert and technical assistance and contractors are all in the same chapter and look very similar).

3.14. The table of contents for each volume could also be improved. For example, although the footers noted above refer to chapters, the table of contents for Volume One does not clearly identify what is in each "chapter".

3.15. In addition, a more extensive table of contents for Volume Two, for the financial information, would greatly assist the reader in navigating this volume. The Committee believes it would be useful to list the following in the table of contents for each of the two output classes, as appropriate:

- Departmental Financial Statements
- Independent Audit Report
- Statement of Responsibility
- Notes to and Forming Part of the Financial Statements
- Territorial Financial Statements
- Territorial Note Index
- Statement of Performance

3.16. Another key tool is the use of sub-headings. Although in most parts of the report sub-headings are used to good affect, the Committee notes that the

section on significant achievements, for example, is three and half pages of unbroken text.¹⁷ This is an area that warrants the use of sub-headings to highlight issues and draw the specific significant achievements to the reader's attention.

3.17. The second area for improvement relates to the identification and explanation of charts, graphs and tables in the report.

3.18. In many publications with a substantial number of charts, graphs and tables it is common practice to both label and number them e.g., "Graph 1: Waiting list reductions over time". While this has been done in the "Management Discussion and Analysis for the Department of Disability, Housing and Community Services" (in Volume Two) it is not done elsewhere in the report.

3.19. The Committee is of the view that given the number of these graphs etc., in the report the Department should label and number them throughout each volume of the report. This would ensure that references to the graphs etc., in the text are unambiguous – particularly where there is more than one graph on a page.

3.22. The final major area for improvement is the legibility of the financial and performance statements in Volume Two. The font size for the financial and performance statements in Volume Two is extremely small and yet there is clearly room on the page for a larger font size to be used.

Recommendation 7

3.20. The Committee recommends that in future annual reports the Department of Disability, Housing and Community Services:

- **makes more use of navigational tools such as the table of contents, headers, footers and sub-headings;**
- **ensures all charts, graphs and tables are labelled and numbered and that a list of all these graphs etc., be included in the report; and**
- **increases the font size of the financial and performance statements.**

¹⁷ Department of Disability, Housing and Community Services, *Department of Disability, Housing and Community Services Annual Report 2002-03, Volume One*, ACT, 2003, pp 15-18.

3.21. Lastly, the Committee would like to note a couple of areas that were raised with the Minister regarding the annual report. An area of concern to the Committee was where targets in performance statements are expressed as either greater than (or less than) a percentage with the results reported in a similar fashion. For example, Output 1.1 Public Housing has a quality indicator “tenant satisfaction” with a target of “better than 60%.”¹⁸ The result is “better than 60%”. The Committee is of the view that it is not satisfactory for a result to be expressed merely as “better than” or “less than” and that an actual result should be reported.

3.22. This issue was raised during the public hearings and the Chief Executive of the Department agreed to address the problem.¹⁹

3.23. In terms of the Department’s compliance with publication standards the Directions state that covers must not exceed three colours, no full colour photography is to be used (and the use of photographs generally is to be kept to a minimum) and uncoated paper must be used.²⁰

3.24. The Committee notes that the cover exceeds three colours and contains full colour photographs and the report uses coated paper.

3.25. In response to the issue of compliance with publication standards, specifically the use of colours and coated paper, the Minister advised the Committee that:

The Department experienced a number of problems in relation to the layout and design of its Annual Report by its graphic designer, as evidenced by erratum and revised versions of the report having to be tabled in the ACT Legislative Assembly. These difficulties also unfortunately led to the Chief Minister’s Annual Report Directions not being followed in these two instances. The Directions will be strictly adhered to in the production of future reports.²¹

¹⁸ Department of Disability, Housing and Community Services, *Department of Disability, Housing and Community Services Annual Report 2002-03, Volume Two*, ACT, 2003, p 274.

¹⁹ Transcript of evidence, 22/1/04, p 60.

²⁰ Chief Minister’s Department, *Chief Minister’s Annual Reports Directions*, June 2003, p 8.

²¹ Response to question on notice (# 19) from the Minister of Disability, Housing and Community Services dated 30/1/04.

4. Community Advocate

4.1. The Committee is of the view that the 2002-2003 Annual Report of the Office of the Community Advocate (OCA) is a commendable effort for a relatively small agency.

4.2. The report contains information about how the OCA operates, key highlights and a reasonable level of detail about the OCA's key functions performed during the year (e.g., information about the nature of emergency orders and guardianship applications).

4.3. The OCA, which is often open to external scrutiny due to its role, has reported on a number of instances of external scrutiny in the past financial year. This is both in a section specifically labelled "External Scrutiny" as well as the "Executive Summary – Overview of Major Achievements and Issues".

4.4. The report also has a distinct section on the OCA's complaints policy (including how to make a complaint) as well as information on complaints that had been made regarding the performance of the OCA.²² In addition, the Committee notes that the OCA has reported on both the methodology and results of its annual survey of stakeholder views on its performance.²³

4.5. The Committee commends the OCA for including this information. The Committee has observed that where matters involving external scrutiny are included in an upfront manner, the credibility of the report as a whole is enhanced.

4.6. The issues outlined below are those that the Committee believes if addressed would enhance the OCA's reporting.

Areas for improvement – performance information, reporting on whole of government issues

4.7. The report includes a table outlining the objectives set by the OCA at the beginning of the reporting period and the achievements against each of these objectives (see pp 27 – 40). While some of the objectives and achievements are relatively easy to understand, the Committee was of the view that others lack specificity or sufficient information in order to interpret accurately the level of achievement stated.

²² Office of the Community Advocate, *Office of the Community Advocate Annual Report 2002-2003*, ACT, 2003, pp 24-25.

²³ *ibid.* p 60.

4.8. For example, on page 27 under “facilities for forensic clients” the objective is to divert mentally ill and mentally dysfunctional offenders and the achievement is that 11 forensic clients were assisted with 9 diverted. In the absence of either a specific target or any information about what occurred in previous years, the Committee was not able to come to any conclusions about the achievement.

4.9. While the report does contain a section titled “Review of Last Year’s Outlook” (which the reader might assume provides information about what happened in the preceding year compared to what was forecast to happen), this is possibly the most confusing section of the report. It states:

The OCA annual report is presented in a new format this year and, as a result, the matters referred to in last year’s outlook are reported on in the table of core functions which follows later in this report, in the executive summary, or in other relevant reports.²⁴

4.10. The test for accessibility is whether or not a general member of the community could reasonably be expected to make sense of, and follow the report. The Committee is not confident that this section passes the “general reader” test. In particular, the Committee notes that:

- in last year’s annual report there isn’t a section titled “outlook” – it is therefore difficult to locate what is being referred to in the previous annual report;
- there is no table in this year’s annual report easily identifiable or labelled as the “table of core functions” but there is mention of a “table of objectives” in the following paragraph to the one quoted above; and
- the reference to “other relevant reports” is unhelpfully vague.

Recommendation 8

4.11. The Committee recommends that the Office of the Community Advocate provide sufficient information in its annual report to enable multi-year comparisons of its objectives and achievements.

²⁴ Office of the Community Advocate, *Office of the Community Advocate Annual Report 2002-2003*, ACT, 2003, p 14.

4.12. The Committee notes that a significant number of whole of government issues and the financial and performance statements for the OCA are contained in the 2002-2003 Annual Report of the Department of Justice and Community Safety.

4.13. While this practice is acceptable under the Directions for an agency such as the OCA, the Committee was concerned that the simple reference to the information being contained in the 2002-2003 Annual Report of the Department of Justice and Community Safety does not greatly assist readers to access this information.

4.14. By way of comparison, the annual report for the Human Rights Office includes relevant excerpts from the annual report of the Department of Justice and Community Safety regarding the Human Rights Office's financial and performance reporting against outputs. It also includes brief narrative on a range of whole of government issues including equity and diversity, fraud prevention, resources and ownership agreement reporting and occupational health and safety.

Recommendation 9

4.14. The Committee recommends that the Office of the Community Advocate and the Department of Justice and Community Safety coordinate their annual reports so that cross referencing with page numbers is possible or, alternatively, that the Office of the Community Advocate include relevant excerpts pertaining to financial and performance information and whole of government issues within its annual report.

4.15. Lastly, the Committee noted that the OCA's report does not contain a glossary of acronyms or abbreviations and the definitions section does not clearly explain acronyms either.²⁵

4.16. This means, for example, that the reader on page 13 comes across "MAP and CCO forensic clients". Although 'MAP' is spelt out earlier on page 5, there is no explanation for 'CCO' until page 22 where it is listed as the "Care Coordination Office" and page 62 where a "CCO" is a "Community Care Order".

²⁵ Office of the Community Advocate, *Office of the Community Advocate Annual Report 2002-2003*, ACT, 2003, Definitions pp 62-64 & Compliance Index p 65.

4.17. The OCA's annual report for 2001-2002 did contain a glossary of abbreviations and acronyms and the Committee recommends that this continue to be included in future annual reports.

Roslyn Dundas MLA
Deputy Chair
2 March 2004

Appendix 1 – Witnesses at public hearings

4 December 2003

Office of the Community Advocate

Mr Jon Stanhope MLA, Attorney General

Ms Heather McGregor, Community Advocate

Management Assessment Panel

Ms Marie Coleman, Chair

22 January 2004

For the Department of Disability, Housing and Community Services

Mr Bill Wood MLA, Minister for Disability, Housing and Community Services

Ms Sandra Lambert, Chief Executive

Dr Colin Adrian, Executive Coordinator

Mr Martin Hehir, Executive Director, Housing and Community Services

Ms Maureen Sheehan, Director, Community Development

Ms Helen Fletcher, Director, Housing ACT

Ms Bernadette Maher, Acting Director, Housing ACT

Ms Sarah King, Senior Manager, Community Services

Ms Lois Ford, Executive Director, Disability ACT

Ms Roslyn Hayes, Director, Disability ACT

Ms Bronwen Overton-Clarke, Director, Policy and Organisational Services

Mr Ian Hubbard, Director, Budget and Finance

Ms Pauline Brown, Senior Manager, Therapy ACT