



Red Tape Reduction Plan for NGOs

Version 1.0

**Sector Development
Ageing, Disability and Home Care
Department of Family and Community Services NSW**

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Final



**Family &
Community Services**
Ageing, Disability & Home Care

Document approval

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Overview

Ageing, Disability and Home Care (ADHC) has been undertaking a significant program of work to reduce the administrative burden on funded non-government organisations (NGOs). Streamlining the way ADHC conducts business with its community partners directly impacts on the productivity of the NGO sector by freeing up resources for direct service delivery. *NSW 2021* sets a red tape reduction target of \$750 million in savings across government for business and community partners by June 2015.

ADHC has made significant progress in the implementation of the recommendations from the 2009 Department of Premier and Cabinet (DPC) report *NGO Red Tape Reduction*.

This new plan builds on this work and sets targets for ADHC to continue to assess, reduce and eliminate the red tape burden on NGOs.

Red tape reduction and streamlining compliance and administrative processes will:

- reduce compliance costs for NGOs and/or
- reduce administrative costs for the agency
- improve the overall value of the funding dollar for people with a disability, their families and carers.

This Plan:

- establishes an ADHC wide approach to red tape reduction – establishing principles and strategies
- sets out concrete strategies to eliminate or reduce the current red tape burden for funded NGOs
- commits ADHC to robust assessment of the impact of its administrative requirements across all program areas on NGOs
- will support tracking and reporting on achieving red tape reduction targets and associated benefits.

What is “Red Tape”?

The term red tape comes from the practice of government departments bundling collections of documents together and tying them with red cotton tape. The term has now come to mean any burdensome and unnecessary requirements that are required in order for the community to do business with the government. This could be multiple forms needing completion, duplicated reporting requirements, multiple requests for the same information or a number of other administrative requirements imposed by agencies on NGOs.

What is “Red Tape Reduction”?

The NSW Government view is that it is *“any reduction in the costs imposed on business, not-for-profit organisations or the community arising from changes in government regulatory requirements or other government interactions that do not reduce the net benefits offered by the regulation or service”*

For the purposes of this framework red tape refers to those activities that are *burdensome and unnecessary* elements of the interaction between ADHC and the NGO sector, and the objective of the framework is to actively reduce or eliminate them.

Principles	Strategies
1. Eliminate red tape <i>“Get rid of it”</i>	<ul style="list-style-type: none"> ▪ Identify and remove red tape ▪ Change the way we do business so we don't impose red tape
2. Streamline administration, reporting and compliance <i>“Keep it simple”</i>	<ul style="list-style-type: none"> ▪ Simplify language and processes, and reduce the amount of information requested from organisations ▪ Establish an evidence base and practices to assess the impact of administration and reporting requirements ▪ Take into account, not duplicate, reporting NGOs do to other agencies and jurisdictions
3. Assist the NGO sector to better manage administrative, reporting and compliance requirements <i>“Do it smarter”</i>	<ul style="list-style-type: none"> ▪ Use technology to automate processes, exchange information and meet business data requirements ▪ Share information and use available information better
4. Monitor progress and respond to feedback <i>“Keep an eye on it”</i>	<ul style="list-style-type: none"> ▪ Assess – validate – justify ▪ Get and use feedback from stakeholders on how to do things better ▪ Report on progress and benefits

Strategies

Principle 1 Eliminate red tape

1

“Get rid of it”

Eliminate unnecessary administrative burden in a way that preserves probity and accountability of public funds to maximise resources for service provision.

- Strategies**
- *Identify opportunities to remove red tape*
 - *Change the way we do business so we don't create red tape*

What has ADHC already achieved?

- Aligned financial reporting thresholds with broader legislative requirements
- Removed the requirement to include information already available to ADHC in tenders and EOIs
- Streamlined annual compliance reporting for NGOs

What will ADHC do next?

ADHC will:

- Map current compliance and administrative processes associated with funding to identify more opportunities to cut red tape
- Eliminate requests for unnecessary information or complicated processes

Actions and Timeline

- 1.1 Talk to peak bodies to gather feedback on red tape reduction (*April 2012*)
- 1.2 Review and capture opportunities for red tape reduction in the development of service planning, sourcing and funding policies (*May 2012*)
- 1.3 Identify the elements of revisions to funding processes (such as the introduction of output based acquittals) which enhances red tape reduction (*June – September 2012*)

Keeping processes streamlined and simple and providing an evidence base for red tape reduction minimises the administrative burden on providers.

Strategies

- *Simplify language and processes and reduce the amount of information requested from organisations*
- *Assess the impact of administration and reporting requirements*
- *Take into account, not duplicate, reporting NGOs do to other agencies and jurisdictions*

What has ADHC already achieved?

- Revised tender and funding application approaches
- Adopted a risk based approach to monitoring NGOs including post school programs
- Standardised insurance premium requirements
- Standardised funding selection process across agencies
- Successfully piloted streamlined service acquisition using pre-qualification panels

What will ADHC do next?**ADHC will:**

- Develop tools to assess the impact of red tape and the benefits of alternate processes and solutions
- Encourage the use of simple language and processes in contract management with NGOs

Actions and Timeline

- 2.1 Review program guidelines for peak organisations (*March 2012*)
- 2.2 Produce a simple online resource for ADHC on red tape reduction strategies (*May 2012*)
- 2.3 Revise NSW Disability Services Standards to align to the National Standards (*June 2012*)
- 2.4 Recognise NGOs' evidence from other accreditation systems to comply with NSW Disability Services Standards (*June 2012*)
- 2.5 Develop a plain English, simplified Funding Agreement (*June 2012*)
- 2.6 Monitor implementation of simplified service acquisition (*June 2012*)
- 2.7 Align day program guidelines with person-centred approaches (*July 2012*)

Principle

3

Assist the NGO sector to better manage administrative, reporting and compliance requirements

“Do it smarter”

We need to get better at knowing what ‘counts’ and turning that data into information through the use of increasingly automated systems and simple processes.

Strategies

- *Use technology to automate processes, exchange information and meet business data requirements*
- *Share information and use available information better*

What has ADHC already achieved?

- Introduced the new funding management system
- Enhanced the service provider portal to improve business information flow
- Mapped quality systems and standards for mutual recognition of outcomes
- Introduced an information sharing protocol across FACS to reduce administrative burden on NGOs and for agencies to share NGO performance information
- Developed information technology solutions to streamline communications with the sector and the procurement of goods and services
- Implemented new one-step referral processes for Home Care clients with simple service needs

What will ADHC do next?

ADHC will:

- Identify how to better store and share information about our NGO partners to eliminate the need for repeated requests for the same information
- Use effective technology to automate administration, compliance and reporting.

Actions and Timeline

- 3.1 Expand data management systems and improve the service provider portal to become a central repository for service provider data (*June 2012*)
- 3.2 Further develop the capacity to produce reports for ADHC and NGOs to inform contract management and operational performance (*June 2012*)

Principle

4

Monitor the progress of red tape reduction

“ Keep an eye on it”

ADHC will report on the progress of the red tape reduction strategies and assess the impact these have on NGOs and its own internal processes.

Strategies

- *Assess - validate – justify*
- *Get and use feedback from stakeholders on how to do things better*
- *Report on progress and benefits*

What has ADHC already achieved?

- Published the *Reducing Red Tape Implementation Review* (refer ADHC's website) which demonstrated the implementation of recommendations from the *NGO Red Tape Reduction* report - such as streamlined processes in funding selection and allocation and streamlined contracting processes including monitoring, acquittal and reporting practices.

What will ADHC do next?

ADHC will:

- Establish a reporting framework to capture red tape reduction activities across ADHC
- Undertake qualitative and quantitative evaluation of red tape reduction initiatives
- Establish an evidence base of successfully implemented red tape reduction strategies to guide future activity.

Actions and Timeline

- 4.1 Develop mechanisms for NGO feedback on red tape strategies (*June 2012*)
- 4.2 Report regularly on red tape reduction within government and to the NGO sector (*Annually*)
- 4.3 Track opportunities for red tape reduction in upcoming reforms to legislation (*Late 2012 – ongoing*)