



Ms Ronda Miller  
Clerk of the Legislative Assembly  
Parliament of NSW  
Macquarie Street  
Sydney NSW 2000

Dear Ms Miller

I refer to Standing Order 303A of the Legislative Assembly which requires the Government to respond to Public Accounts Committee reports within six months of a report being tabled in Parliament.

I am pleased to provide the Committee with the attached NSW Government response to Report No. 2/55 of the Committee on Public Accounts – *Report on Recommendations of Public Accounts Committee of the 54<sup>th</sup> Parliament.*

Yours sincerely



**Barry O'Farrell MP**  
Premier

Tabled by Mr Hazzard, on  
behalf of Mr O'Farrell  
4.55pm  
10/5/2012  
10.5.12

**NSW GOVERNMENT RESPONSE TO REPORT NO. 2/55 OF THE COMMITTEE ON PUBLIC ACCOUNTS –  
REPORT ON RECOMMENDATIONS OF PUBLIC ACCOUNTS COMMITTEE OF THE 54<sup>TH</sup> PARLIAMENT**

<b>RECOMMENDATION</b>	<b>NSW GOVERNMENT POSITION</b>
<p><b>Recommendation 1(i)</b></p> <p>The Committee recommends that NSW Health develop and implement a coordinated communication strategy that clearly identified how it will inform the public and health care professionals about the benefits of in-home care.</p>	<p><b>Accepted:</b> Hospital in the Home (HITH) services continue to provide a range of activities to communicate with their referrers, including general practitioners and specialists. These activities include orientation and education sessions, multidisciplinary case conferences to discuss current and potential patients, and publications and posters.</p> <p>The Ministry of Health is working with services, clinicians and patients to determine the appropriate messages and strategies to use with local communities and providers to promote out of hospital services.</p> <p>HITH program is a key strategy of the Health Services Performance Improvement Branch’s Out of Hospital Care portfolio. A Working Group was established in June 2011, following workshops held with health professionals in 2010.</p> <p>The vision is that children and adults in NSW are provided with safe, effective and patient-centred acute care in settings other than an inpatient bed.</p> <p>The review of the HITH communication strategy lists the range of activities and key messages for different stakeholders. The key messages include:</p> <ul style="list-style-type: none"> <li>• Hospital in the Home services result in equivalent or better outcomes at better value;</li> <li>• Hospital in the Home: <ul style="list-style-type: none"> <li>– improves the patient experience;</li> <li>– offers safe, effective and quality healthcare; and</li> <li>– offers patients more choice about the care they receive.</li> </ul> </li> <li>• Hospital in the Home is delivered by clinically skilled teams including General Practitioners;</li> <li>• the majority of patients who have received this care prefer it to having to stay in hospital; and</li> <li>• hospitals that use HITH for their patients, release access to inpatient beds for other patients who need to be in hospital.</li> </ul>

	<p>A Hospital in the Home brochure targeting key messages for Local Health District executives, managers and clinical leaders was released across NSW in February 2012.</p> <p>Resources targeting the information needs of HITH consumers will be developed by July 2012. Relevant consumer groups, including Health Consumers NSW and the Agency for Clinical Innovation's Consumer Network, have been engaged to participate in the development of the content and formatting of the resource to meet the needs of patients and carers.</p>
<p><b>Recommendation 1(ii)</b></p> <p>The Committee recommends that NSW Health promote equality of access to healthcare by giving greater priority to rolling out successful out of hospital health care initiatives across NSW.</p>	<p><b>Accepted:</b>  <u>Out of Hospital Care</u>  NSW Health continues to fund successful Out of Hospital Care service delivery models annually, including \$22.5 million for ComPacks and \$14.6 million for HITH services in 2011/12.</p> <p>The NSW Health HITH Program Working Group was established in June 2011 to define, cost and measure the range of service delivery required in NSW for safe, effective and patient-centred acute care in settings other than an inpatient bed. A work plan for 2011-12 has been developed to ensure implementation from July 2012 of:</p> <ul style="list-style-type: none"> <li>• Service Delivery Models description and implementation toolkits and templates;</li> <li>• Local Health District (LHD) Service gap analysis and implementation strategy; and</li> <li>• Hospital in the Home costing and recommendations for Activity Based Funding.</li> </ul> <p>Significant work has progressed against the 2011-12 work plan that will positively influence equity and priority in HITH, through engagement of LHDs, such as:</p> <ul style="list-style-type: none"> <li>• service mapping of existing local HITH services;</li> <li>• generating local discussion to respond to targeted consultation questions that will directly influence the NSW HITH Service Model; and</li> <li>• undertaking a collaborative preliminary HITH Costing and Funding study that will contribute to local and state work plans through to 2013/14.</li> </ul> <p>This work will reduce variation in the delivery of HITH services in NSW. Robust costing of these services will facilitate activity-based funding to incentivise growth of HITH.</p>

### Chronic Disease Management Program

The Connecting Care (Severe Chronic Disease Management) Program is being implemented across NSW to better connect the care and support of people with chronic diseases, who have been hospitalised or are at risk of hospitalisation due to their chronic diseases.

Over the next four years, the Connecting Care Program aims to enrol at least 59,000 people who will benefit from enhanced care coordination and self management support. Funding will be enhanced by an additional \$57 million (from 2010-11 to 2013-14).

The program is bringing together the Commonwealth-subsidised general practice and private specialist system and the State-funded public hospital and community health services system to deliver integrated, multidisciplinary team care with people in the community. Community care services are also being integrated as required.

Hospital admissions related to chronic disease, especially when unplanned, are often potentially preventable. The program targets the people with the chronic diseases that result in the most frequent presentations to hospitals; drive the highest health care costs; and respond best to improved care coordination and self management support – namely diabetes, congestive heart failure, coronary artery disease, chronic obstructive pulmonary disease and hypertension.

The program aims to increase people's capacity to understand and manage their conditions; reduce the progression and complications of their disease; improve their quality of life; support their carers and families; and enable better advance care planning and end-of-life decision-making. The program also aims to reduce unplanned and potentially preventable admissions to hospitals and improve the health system's capacity to respond to the needs of people with chronic diseases through significant micro-system reform. The program also promotes shared decision-making.

The program is actively promoting equality of access to healthcare in the community by specifically considering the needs of vulnerable groups. Frail, older people and Aboriginal people are key target groups for the Connecting Care Program. The program is also investigating ways to best meet the needs of other vulnerable communities, such as culturally and linguistically diverse communities and rural and remote communities.

<p><b>Recommendation 1(iii)</b></p> <p>The Committee recommends that the NSW Police Force develop a new injury compensation model, with a return to work focus, to form the basis of negotiations with the Police Association.</p>	<p><b>Completed:</b> A new Death and Disability Scheme for police officers came into effect on 20 January 2012. The Scheme will provide death and disability benefits to police officers who die or who are incapacitated as a result of being injured while either on duty or off duty. As part of the scheme, the new insurance policy is expected to provide the following benefits:</p> <ul style="list-style-type: none"> <li>– a lump sum benefit should an officer die either on or off duty (the benefit scale remains unchanged);</li> <li>– a lump sum benefit if an officer is totally or permanently disabled due to an injury that occurs while the officer is either on or off duty; and</li> <li>– an income protection benefit for on duty injuries, that begins after a nine month waiting period following an injury (during which time an officer's salary is maintained at 100 per cent by the NSW Police Force).</li> </ul>
<p><b>Recommendation 2(i)</b></p> <p>That the Government require all public sector departments and agencies to review their current arrangements in relation to the storage, management and transmission of confidential documents in their control. Additionally, all departments and agencies should make necessary improvements to their document control systems to ensure complete safeguarding and security of all such documents. This can be achieved through a new Premier's Memorandum and</p>	<p><b>Support in-part:</b> While the Government promotes an open and accountable approach to public administration, agencies should regularly review their document management practices to minimise the risk that sensitive material is disclosed without proper authority. All Ministers and Government agencies will be notified by the Department of Premier and Cabinet of the importance of maintaining secure handling of all confidential documents, including draft Auditor General reports, and of the important integrity obligations that apply to public officials in these circumstances. The Premier will consider whether the issue of a further Premier's Memorandum on information security is warranted to reinforce the observance of existing practices.</p> <p>Under the <i>Privacy and Personal Information Protection Act 1998</i> and <i>State Records Act 1998</i>, NSW departments and agencies are legislatively required to manage, control access to and store records appropriately and securely. The <i>State Records Act</i> and associated records management standards require public offices to ensure the safe custody and proper preservation of state records. Public offices must also establish and maintain a records management program which includes the records management policies, procedures, processes and systems implemented. These requirements apply to both paper and digital records.</p>

<p>the provision of the Model Code of Conduct for NSW Public Agencies.</p>	
<p><b>Recommendation 2(ii)</b></p> <p>That the <i>Public Finance and Audit Act 1983</i> be amended to make it an offence for recipients of draft audit reports to disclose or reproduce any part of the report prior to it being tabled in the Parliament of New South Wales. The penalty for this offence should be the same as that of offences under section 38 and the Committee recommends that the penalty for these offences should be 50 penalty units.</p>	<p>The Government will consider amending the <i>Public Finance and Audit Act 1983</i> to make it an offence for public officials to undermine the audit process by disclosing draft audit reports.</p>
<p><b>Recommendation 3(ii)</b></p> <p>The Committee strongly encourages the Department of Premier &amp; Cabinet to ensure that grant-making agencies tie payments to clear performance measures in all instances so as to ensure that the stated objectives of the program are achieved and the public receives value for money.</p>	<p><b>Supported:</b> The Good Practice Guide to Grants Administration was updated in 2010. The Guidelines provide comprehensive guidance on performance reporting, performance monitoring and financial monitoring. Agencies are encouraged to set up timely monitoring systems, tie payment to clear performance measures and require the recipient to establish internal controls.</p> <p>However, it is noted that tying payments to performance measurers can result in unnecessary red tape. The Good Practice Guide was drafted to allow for reporting to be appropriate to risk.</p>

<p><b>Recommendation 3(iii)</b></p> <p>The Committee recommends that NSW Health ensures the complete implantation of the recommendations of the Auditor-General's report into Tackling Cancer with Radiotherapy.</p>	<p><i>See Attachment A</i></p>
<p><b>Recommendation 3(iv)</b></p> <p>The Committee further recommends that in its response to this report, the Government outlines its progress, and any reasons for delay in:</p>	
<ul style="list-style-type: none"> <li>- establishing formal cancer networks and developing centralised bookings systems for all radiotherapy treatment centres within a service network;</li> </ul>	<p>This is ongoing due to the changes in the organisational arrangements in NSW resulting from the National Health and Hospitals Reforms. The governance review of NSW Health has also significantly changed the governance and accountability framework.</p> <p>Thirteen of the 15 Local Health Districts (LHDs) will have comprehensive cancer centres including radiotherapy, at the completion of the Health and Hospital Fund Regional Cancer Centre initiative.</p> <p>LHDs which do not have a population base to support a cancer centre include Far West, which has an arrangement with South Australia, and Southern NSW which has arrangements with the ACT.</p> <p>The majority of LHDs have comprehensive cancer centres where bookings are coordinated by that centre. This will also include coordination of bookings for patients who have combined therapies, for example chemotherapy.</p>

<p>– the completion and implementation of Radiation Oncology Standards;</p>	<p>A separate accreditation process for radiotherapy, aside from other cancer services, is not supported. However, the incorporation of accreditation of radiotherapy services into existing accreditation processes, is supported.</p> <p>Since the 2009 Auditor General's Report, Radiation Oncology Practice Standards have been finalised by the Tripartite Standards Working Group, with the support of the Australian Health Ministers' Advisory Council (AHMAC) Radiation Oncology Reform Implementation Committee (RORIC). The Tripartite Radiation Oncology Practice Standards and Supplementary Guide were launched in August 2011.</p> <p>An options paper for long term assessment of conformity was also formally released for consultation in August 2011. Submissions were received and work is being progressed including consideration of indicative costs. This is being overseen by the Radiation Oncology Reform Committee's Quality Working Group.</p>
<p>– delivering an upgraded system to monitor referrals and developing treatment priority definitions to enable collection of consistent wait time data; and</p>	<p>Since the 2009 Auditor General's Report, a national approach to review radiotherapy waiting times data set by the National Health Information Standards &amp; Statistics Committee (NHISSC) was considered, and a data set was developed. The data set was not mandated but endorsed as best practice. Implementation will be dependent on resource availability and development of Information Systems which can collect this data.</p> <p>In the interim, NSW public centres have access to local wait times data to discuss options with patients and families.</p>
<p>– developing a workload measure that facilitates comparison of centres with different case-mixes and different techniques.</p>	<p>This is ongoing due to the complexity of issues and the need for in-depth analysis by experts in the field. Implementation of the new NSW funding model over the next two years will help inform best practice and comparative efficiencies.</p>



<p><b>Recommendation 3(v)</b></p> <p>The Committee further recommends that radiation facilities extend their hours of operation to provide better access for patients and better utilisation of the facilities by July 2011, except where it does not deliver value for money, or value to patients.</p>	<p><b>Accepted:</b> A targeted literature review was undertaken by the University of Wollongong to assess the options for increasing capacity of radiotherapy facilities, to include the feasibility and 'value for money' of extended hours of operation. Some major findings include:</p> <ul style="list-style-type: none"> <li>• overall, the nine day fortnight was found to be the most cost-effective method for organising radiotherapy staff;</li> <li>• the option of operating on an additional sixth day was not found to be cost-effective unless there was a waiting list for palliative radiotherapy that could be delivered on a Saturday because of its different fractionation requirements;</li> <li>• multidisciplinary patient care must be available to provide equitable care to patients attending outside of core service hours;</li> <li>• the availability of staff and appropriate skills mix will be the rate limiting factor for many localities seeking to increase productivity through extended hours;</li> <li>• it is recognised that to implement a longer working day across radiotherapy services would incur substantial increases in payroll costs, whether through overtime or an increase in staff; and</li> <li>• patient preferences are a key consideration in determining the feasibility of extended hours services.</li> </ul> <p>The report confirmed that while it was feasible to extend hours of operation of radiotherapy services under certain conditions, there was limited evidence to suggest that extended hours will provide value for money.</p>
<p><b>Recommendation 3(vi)</b></p> <p>The Committee recommends that the Department of Justice &amp; Attorney General, Department of Health and NSW Police Force ensure the complete implementation of all the recommendations in the Auditor-General's report into Helping Aboriginal</p>	<p><i>See Attachment B</i></p>

Defendants through MERIT.	
<p><b>Recommendation 3(vii)</b></p> <p>The Committee further recommends that in its response to this report, the Government outlines its progress, and any reasons for the delay in:</p>	
<ul style="list-style-type: none"> <li>- finalising the revised MERIT Operational Manual and outlining the process undertaken to introduce the Manual to caseworkers;</li> </ul>	<p><b>Completed:</b> The revised MERIT Program Operational Manual was distributed in July 2011 to all MERIT Teams and all Police Local Area Commands.</p>
<ul style="list-style-type: none"> <li>- further expanding the network of MERIT courts to include some of the non-MERIT courts with high proportions of Aboriginal and Torres Strait Islander defendants, as identified by the Auditor-General;</li> </ul>	<p><b>Ongoing:</b> Further expansion of MERIT faces some constraints including adequate funding, capacity of treatment services and expansion should only be considered where it is certain that current service provision will not be compromised.</p> <p>Currently, the only expansion involves the two-year evaluation of Alcohol MERIT. If the trial is found to be effective, consideration will be given to future expansion.</p> <p>However, any proposed new locations will still need to have adequate funding, resources and local treatment services before expansion can continue.</p>
<ul style="list-style-type: none"> <li>- establishing permanent MERIT positions in spite of the four-year funding cycle provided under the National Healthcare</li> </ul>	<p>Funding for the MERIT program is now provided under the National Healthcare Agreement. Under this Agreement, funds allocated to the Ministry of Health are recurrent.</p>

Agreement;	
– ensure that all MERIT teams are provided with initial induction training as well as ongoing training;	<b>Ongoing:</b> The Operational Manual and specialist diversion training provided by The Centre for Community Welfare Training are central to MERIT caseworker’s induction training and ongoing training needs.
– improve the level of understanding of MERIT among Aboriginal communities; and	<b>Ongoing:</b> The NSW Ministry of Health funded the Aboriginal Health & Medical Research Council (AH&MRC) to review Aboriginal participation in the MERIT program and to provide recommendations in regard to improving and increasing Aboriginal participation in the program. The report includes a recommendation calling for the strengthening of referral pathways between MERIT teams and Aboriginal Health, Legal and other services. The NSW Ministry of Health is working in collaboration with DAGJ to progress the recommendations of this report and improve knowledge of MERIT among Aboriginal communities. To-date representation from the Aboriginal Legal Services has been included to the membership of the MERIT Statewide Steering Committee as well as the introduction of the Aboriginal Practice Checklist: A Cultural Assessment Tool for MERIT Teams.
– developing targets for client completion rates in order to monitor the performance of each MERIT team and identify and program issues.	<b>Ongoing:</b> NSW Health agrees in-principle to developing targets for the purposes of internal program monitoring and management. However, owing to the difficulty in setting appropriate targets and the large number of factors that influence completion rates, it is not appropriate that these targets be made publicly available. Client completion rates are monitored and reviewed quarterly and NSW Health reports on these rates at MERIT statewide meetings.

**Recommendation 3(iii)** – The Committee recommends that NSW Health ensures the complete implementation of all the recommendations in the Auditor-General's Report into Tackling Cancer with Radiotherapy.

	Auditor General's Recommendation	NSW Government Position
1.	Establishes by December 2010 formal cancer networks that link radiotherapy centres in a way that clarifies, assures and specifies access to a complete range of cancer services for rural and regional residents.	<p><b>Accepted:</b> This is ongoing due to the changes in the organisational arrangements in NSW resulting from the National Health and Hospitals Reforms. The governance review of NSW Health has also significantly changed the governance and accountability framework.</p> <p>Thirteen of the 15 Local Health Districts (LHDs) will have comprehensive cancer centres including radiotherapy, at the completion of the Health and Hospital Fund Regional Cancer Centre initiative.</p> <p>LHDs which do not have a population base to support a cancer centre include Far West, which has an arrangement with South Australia, and Southern NSW which has arrangements with the ACT.</p>

	<b>Auditor General's Recommendation</b>	<b>NSW Government Position</b>
2.	Continues to work with accreditation agencies to adopt by June 2010 agreed accreditation standards for radiation oncology services within their hospital accreditation processes	<p><b>Accepted with qualifications:</b> A separate accreditation process for radiotherapy, aside from other cancer services, is not supported. However, the incorporation of accreditation of radiotherapy services into existing accreditation processes, is supported.</p> <p>Since the 2009 Auditor General's Report, Radiation Oncology Practice Standards have been finalised by the Tripartite Standards Working Group, with the support of the Australian Health Ministers' Advisory Council (AHMAC) Radiation Oncology Reform Implementation Committee (RORIC). The Tripartite Radiation Oncology Practice Standards and Supplementary Guide were launched in August 2011.</p> <p>An options paper for long term assessment of conformity was also formally released for consultation in August 2011. Submissions were received and work is being progressed including consideration of indicative costs. This is being overseen by the Radiation Oncology Reform Committee's Quality Working Group.</p>
3.	Systematically and consistently by June 2010 monitors, benchmarks and analyses the actual times taken between receipt of the referral to radiotherapy treatment centres and initial specialist consultation, and from 'ready for care' to treatment	<p><b>Accepted with qualifications:</b> Since the 2009 Auditor General's Report, a national approach to review radiotherapy waiting times data set by the National Health Information Standards &amp; Statistics Committee (NHISSC) was considered, and a data set was developed. The data set was not mandated but endorsed as best practice. Implementation will be dependent on resource availability and development of Information Systems which can collect this data.</p> <p>In the interim, NSW public centres have access to local wait times data to discuss options with patients and families.</p>
4.	Develops centralised booking systems by December 2010 for all radiotherapy	<b>Completed:</b> The majority of LHDs have comprehensive cancer centres where bookings are coordinated by that centre. This will also include coordination of

	<b>Auditor General's Recommendation</b>	<b>NSW Government Position</b>
	treatment centres within a service network	bookings for patients who have combined therapies, for example chemotherapy.
5.	Identifies by June 2010 those people who are not within a reasonable distance or do not have reasonable access to radiotherapy facilities, and analyses where additional service and support efforts may be needed	<p><b>Completed:</b> New Regional Cancer Centres currently being established at Tamworth and Nowra will result in 95 per cent of the NSW population being within 100kms of a centre providing radiotherapy. These new centres complement expansion of a number of existing centres, including Lismore, Port Macquarie, Wollongong and Liverpool, and a new public sector centre at Gosford.</p> <p>There have also been changes to the Isolated Patients Travel and Accommodation Assistance Scheme (IPTAAS) to increase financial assistance to patients who need to travel longer distances to access specialist medical treatment. From 1 January 2012, any patient travelling a cumulative distance of 200km per week to access their nearest treating specialist is eligible.</p>
6.	Conducts detailed analysis of options for radiotherapy services (including public or private sector provision) and sites in the geographic areas of need, including the Central Coast, Hunter New England and Illawarra Shoalhaven areas	<p><b>Accepted with qualifications:</b> Implementation of the recommendation was dependent on availability of resources and consideration of the broader implications.</p> <p>The outcome of analyses and service development plans is described through the <i>Radiotherapy Services in NSW Strategic Plan to 2016</i>.</p> <p>New Regional Cancer Centres have been approved and are underway (see response to Recommendation 5).</p>
7.	Develops a workload measure by June 2010 that facilitates comparison of centres with different case-mixes and different techniques	<p><b>Accepted:</b> This is ongoing due to the complexity of issues and the need for in-depth analysis by experts in the field. Implementation of the new NSW funding model over the next two years will help inform best practice and comparative efficiencies.</p>

	<b>Auditor General's Recommendation</b>	<b>NSW Government Position</b>
8.	Monitors and benchmarks by December 2009 operational performance measures for radiotherapy treatment centres including for quality, patient safety, waiting times, throughput, cost of treatment and outcomes	<b>Accepted:</b> A set of performance indicators has been developed for use across NSW Health. Six monthly reports based on the key performance indicators, have been collected by the Radiation Oncology Treatment Centres since January 2010.
9.	Assesses by June 2010 the value for money of working extended hours (including Saturday mornings), including the value to patients	<p><b>Completed:</b> A targeted literature review was undertaken by the University of Wollongong to assess the options for increasing capacity of radiotherapy facilities, to include the feasibility and 'value for money' of extended hours of operation. Some major findings include:</p> <ul style="list-style-type: none"> <li>• Overall, the nine day fortnight was found to be the most cost-effective method for organising radiotherapy staff;</li> <li>• the option of operating on an additional sixth day was not found to be cost-effective unless there was a waiting list for palliative radiotherapy that could be delivered on a Saturday because of its different fractionation requirements;</li> <li>• multidisciplinary patient care must be available to provide equitable care to patients attending outside of core service hours;</li> <li>• the availability of staff and appropriate skills mix will be the rate limiting factor for many localities seeking to increase productivity through extended hours;</li> <li>• it is recognised that to implement a longer working day across radiotherapy services would incur substantial increases in payroll costs, whether through overtime or an increase in staff; and</li> <li>• patient preferences are a key consideration in determining the feasibility of extended hours services.</li> </ul> <p>The report confirmed that while it was feasible to extend hours of operation of radiotherapy services under certain conditions, there was limited evidence to suggest that extended hours will provide value for money.</p>

	<b>Auditor General's Recommendation</b>	<b>NSW Government Position</b>
10.	Analyses by December 2010 the variations of current staff levels between radiotherapy centres and develops staffing profiles for each centre which reflect volume, case-mix and complexity	<p><b>Accepted with qualifications:</b> Implementation of the recommendation was dependent on availability of resources and consideration of the broader implications.</p> <p>Determination of staffing levels for clinical services is a responsibility of the LHDs. Information on staffing levels across public and private sector Radiation Oncology Treatment Centres is available to LHDs from the annual Radiotherapy Management Information System report to assist in this work. The Ministry for Health and clinicians are investigating further the parameters of a suitable complexity measure.</p> <p>As this issue may be impacted by the implementation of the new NSW funding model, further review will be undertaken in 2012-13.</p>
11.	Establishes by June 2010 more realistic 5-year and 10-year treatment benchmarks for each Area Health Service as a basis for assessing performance and planning the expansion of facilities	<b>Completed:</b> The Commonwealth Government is overseeing a review which will enable update of the optimal utilisation rate for radiotherapy services, to ensure that the planning parameters for radiotherapy remain relevant. Advice on the review, and the draft reports, are made available to the AHMAC Radiation Oncology Reform Implementation Committee, of which NSW is a member.
12.	Continues to monitor international evidence and assess the impact that radiotherapy services are having on patient outcomes as part of their overall cancer treatment, in order to clarify and agree what the patient outcomes and performance measures should be	<b>Completed:</b> This is considered to be part of the usual best practice. Implementation will be facilitated and guided through the AHMAC Radiation Oncology Reform Implementation Committee, of which NSW is a member.
13.	Develops and publishes by June 2010 a	<b>Completed:</b> The <i>Radiotherapy Services in NSW Strategic Plan to 2016</i> was



	<b>Auditor General's Recommendation</b>	<b>NSW Government Position</b>
	10 year strategic plan for radiotherapy services, noting that the progress of its implementation will be determined by resource and funding availability	published June 2010 and is available at <a href="http://www.health.nsw.gov.au/pubs/2010/radiotherapy_plan.html">http://www.health.nsw.gov.au/pubs/2010/radiotherapy_plan.html</a>
14.	Assesses by June 2010 economies of scale to assist in considering the most cost effective machine configuration and the impact on access to services	<p><b>Accepted with qualifications:</b> Implementation of the recommendation was dependent on availability of resources and consideration of the broader implications.</p> <p>A targeted literature review was, however, undertaken by the University of Wollongong to explore the optimal machine configurations and impact on access to radiotherapy services. The Report confirmed that there were limited publications relating to optimal machine configurations for radiotherapy services, and no systematic reviews and randomised control trials.</p>
15.	Develops by June 2010 a firm funding strategy to support the replacement of existing machinery based on service need, age, state of repair, productivity, and life cycle costs	<p><b>Accepted:</b> The Ministry advised the former Area Health Services (AHS) in September 2009 that the AHS's should ensure that a forward equipment replacement program is in place, including identification of current, or proposed funding sources. Replacement of equipment is supported through Commonwealth Health Program Grants (HPG). Centres are able to develop forward plans for replacement based on known HPG balances and estimated monthly accruals.</p> <p>Contributions for sources such as Special Purpose and Trust Funds and/or Consolidated Funding can be estimated and inform the annual Budget process as required. Arrangements for HPGs are outlined in the Australian Government Radiation Oncology Health Program Grant (ROHPG) Guidelines. This includes opening capital balances for equipment and the rates of reimbursement for eligible services. This addresses factors such as age, services and productivity. Business Cases are also required to be developed to support proposed projects which also consider factors such as service need and the basis for the replacement and/or</p>

	Auditor General's Recommendation	NSW Government Position
		<p>upgrade.</p> <p>The former Area Health Services and now Local Health Districts are responsible for the development of Asset Strategic Plans. This planning includes the development of forward plans for equipment replacement.</p>
16.	<p>Analyses by June 2010 the affordability of its strategic plan, particularly in relation to Commonwealth payments and the implications of private sector involvement</p>	<p><b>Accepted with qualification:</b> Implementation of the recommendation was dependent on availability of resources and consideration of the broader implications.</p> <p>The NSW Government has costed, and is implementing the <i>Radiotherapy Strategic Plan to 2016</i>. This Plan also provided a significant platform to support the NSW Government's successful applications for funding under the Commonwealth Government's Health and Hospitals Fund Regional Cancer Centres initiative.</p> <p>Business Cases were developed for each of the NSW projects and contributed by State investment. These Business Cases included economic analyses. The Commonwealth Government has a Radiation Oncology Health Program Grant funding program which contributes funds towards the purchase of major radiation oncology equipment. This funds a proportion of the cost of replacement of equipment.</p> <p>NSW Health actively engages the private sector in planning for radiotherapy services.</p>

**ATTACHMENT B**

**Recommendation 3(vi)** –The Committee recommends that the Department of Justice & Attorney General, Department of Health and NSW Police Force ensure the complete implementation of all the recommendations in the Auditor-General’s report into Helping Aboriginal Defendants through MERIT.

	<b>Auditor General’s Recommendation</b>	<b>NSW Government Position</b>
1.	We recommend that the NSW Police Force by January 2010 appoints a MERIT Liaison Officer at each command where MERIT operates.	<b>Accepted:</b> A MERIT Liaison Officer has been appointed in every Local Area Command where the MERIT program operates.
2.	We recommend that the NSW Police Force by January 2010 provides ongoing training to Aboriginal Community Liaison Officers (ACLOs) on MERIT.	<b>Accepted:</b> Information sessions on MERIT for NSW Police Aboriginal Community Liaison Officers are being conducted on a rolling basis, as regional meetings and conferences occur.
3.	We recommend that the Attorney General’s Department and the NSW Department of Health by July 2010 develop and implement a process for caseworkers to identify potential defendants before appearing before a Magistrate.	<b>Completed:</b> A revised MERIT Program Operational Manual was distributed to all MERIT Teams and Police Local Area Commands in July 2011. A revised MERIT Practice Note was also issued by the Chief Magistrate to support the MERIT Manual.
4.	We recommend that the Attorney General’s Department in consultation with the NSW Department of Health, by September 2010, expand MERIT to additional courts, particularly those courts with high proportions of	<b>Agreed in-principle:</b> Further expansion of MERIT still faces constraints related to the capacity of local treatment services. As such, no new MERIT courts have been opened and coverage remains at 65 local courts.  A temporary expansion of the provision of Alcohol MERIT services for the two-year evaluation period will see the service offered at a total of 12 locations.

	<b>Auditor General's Recommendation</b>	<b>NSW Government Position</b>
	Aboriginal defendants.	A decision on further expansion of Alcohol MERIT will be made once the evaluation report is available in 2014-15.
5.	We recommend that the Attorney General's Department in consultation with NSW Department of Health and NSW Police develop a new MERIT operations manual by July 2010 that includes a standard assessment form.	<b>Completed:</b> A revised MERIT Program Operational Manual, which included standardised forms, was distributed in July 2011.
6.	We recommend that the NSW Department of Health by June 2010: refers MERIT clients to other NSW Department of Health drug and alcohol services or non government organisations (NGOs) when capacity is reached wherever possible, with the MERIT team remaining as case manager reporting to the court	<b>Not supported:</b> Under the original diversion framework agreed by COAG in 1999, specific funding was provided for treatment and education places for offenders so that no displacement of voluntary admissions to treatment would occur. To refer MERIT clients to other services and continue their participation in the MERIT process would be inconsistent with this principle.  When MERIT capacity is reached, clients are referred to other available NSW Health and or NGO services for treatment, but they are not included in the MERIT program.
7.	We recommend that the NSW Department of Health by June 2010: reviews MERIT staffing arrangements with a view to establishing permanent positions	Funding for the MERIT program is now provided under the National Healthcare Agreement. Under this Agreement, funds allocated to the Ministry of Health are recurrent.

	<b>Auditor General's Recommendation</b>	<b>NSW Government Position</b>
8.	We recommend that the NSW Department of Health by June 2010: develop and implement an ongoing training program for MERIT teams, including induction training.	<b>Ongoing:</b> The Operational Manual and specialist diversion training provided by The Centre for Community Welfare Training are central to MERIT caseworker's induction training and ongoing training needs
9.	We recommend that the Attorney General's Department, in consultation with NSW Police and the NSW Department of Health by June 2010, simplifies MERIT eligibility criteria to focus on: <ul style="list-style-type: none"> <li>• suitability for release on bail</li> <li>• clients with a demonstrable drug or alcohol problem.</li> </ul>	<p><b>Completed:</b> In April 2011, Local Court Practice Note 5 was issued to reflect changes in the MERIT Program Operational Manual relating to eligibility. Defendants that have had bail dispensed with are now eligible for MERIT. Defendants that have a primary alcohol problem are also eligible for MERIT in nine court locations across NSW.</p> <p>Alcohol MERIT is currently being expanded for a two-year trial and comprehensive evaluation by the Bureau of Crime Statistics &amp; Research. Findings from the trial and evaluation will aid in determining any future expansion.</p> <p>As previously noted, the primary reasons that defendants do not enter MERIT is because they have no discernable substance abuse problem, they are unwilling to participate or because the Magistrate does not approve their participation.</p>
10.	We recommend that the Attorney General's Department, in consultation with the NSW Department of Health and NSW Police by December 2010, develops and distribute MERIT promotional literature that is culturally appropriate.	<p><b>Completed:</b> Resources have previously been developed and distributed by NSW Health. Discussions have been held with the Aboriginal Programs Unit in the Crime Prevention Division to determine if additional resources are still required.</p> <p>Advice received to date did not indicate that any additional resources are required at this time. The MERIT fact sheet was revised to include changes relating to the reissue of the Local Court Practice Note and is available on the MERIT website.</p>

	<b>Auditor General's Recommendation</b>	<b>NSW Government Position</b>
11.	We recommend that the Attorney General's Department by July 2010 provides ongoing training for Aboriginal Client Service Specialists and Aboriginal Community Justice Group Coordinators on MERIT so they may identify and support potential MERIT Aboriginal defendants at court.	<p><b>Ongoing:</b> MERIT resources and information were distributed at the May 2011 regional meetings for Aboriginal Client Service Specialists and Aboriginal Community Justice Groups. A MERIT presentation was also been organised for August 2011.</p> <p>A schedule of presentations for Aboriginal Client Services Specialists and Community Justice Groups is being prepared for 2012.</p> <p>As part of the feedback on these presentations further advice will be sought on whether new resources are required.</p>
12.	We recommend that the NSW Department of Health by September 2010, offer MERIT clinics at alternate locations wherever possible.	<p><b>Completed:</b> The NGO/Area Health Service Joint MERIT Caseworker Model has been established increase MERIT treatment capacity. Caseworker positions have been established in:</p> <ul style="list-style-type: none"> <li>• Calvary Alcohol and Drug Service (Wagga Wagga); and</li> <li>• Lyndon Community (Dubbo).</li> </ul>
13.	We recommend that the Attorney General's Department, in consultation with the NSW Department of Health, by July 2010 include the MERIT Aboriginal Practice Checklist in the new operational manual.	<p><b>Completed:</b> The Aboriginal Practice Checklist is part of the revised MERIT Program Operational Manual that was distributed in July 2011. In addition, the Statewide Steering Committee for MERIT now has a representative from the Aboriginal Legal Service.</p>

	<b>Auditor General's Recommendation</b>	<b>NSW Government Position</b>
14.	We recommend that the NSW Department of Health by July 2010 develop a database of Aboriginal client services for use by MERIT teams.	<b>Agreed in-principle:</b> The MERIT Program Operational Manual includes an <i>Aboriginal Practice Checklist: A Cultural Assessment Tool for MERIT Teams</i> . The <i>Practice Checklist</i> instructs individual MERIT teams to identify Aboriginal services in their area and establish good working relationships and referral pathways. At this stage a statewide database is not required.
15.	We recommend that the NSW Attorney General's Department in consultation with the NSW Department of Health by July 2010, develop guidelines for engaging specialist services for MERIT clients and include these in the new operational manual.	<b>Completed:</b> Information on engaging specialist services is a part of the revised MERIT Program Operational Manual distributed in July 2011.
16.	We recommend that NSW Department of Health by March 2010 examines the reasons for underutilisation of MERIT rehabilitation beds.	<b>Ongoing:</b> This issue has been the subject of ongoing monitoring and review under the last phase of the IDDI agreement. Regular updates on MERIT bed activity are also provided through the MERIT bed utilisation report.  A competitive tender process was completed in 2010 to determine more suitable NGO residential rehabilitation services to provide MERIT beds. Twenty three Non-government agencies are now providing MERIT residential rehabilitation services (46 treatment places).
17.	We recommend that the Attorney General's Department, in consultation with the NSW Department of Health, by July 2010 develop guidelines on what constitutes a breach that should be reported to the court.	<b>Completed:</b> The revised MERIT Program Operational Manual includes information and advice for MERIT Teams on determining non-compliance and the appropriate action to take. Template forms for reporting back to the court are also included.

	<b>Auditor General's Recommendation</b>	<b>NSW Government Position</b>
18.	<p>We recommend that the NSW Department of Health, in consultation with the Attorney General's Department, by September 2010 set targets for client completion rates for each MERIT team.</p>	<p><b>Ongoing:</b> The Department of Attorney General and Justice continues to monitor MERIT participant completion rates. NSW Health reports on these rates at MERIT Statewide meetings.</p>
19.	<p>We recommend that the NSW Attorney General's Department, in consultation with the NSW Department of Health and NSW Police by July 2010;</p> <ul style="list-style-type: none"> <li>• regularly publish MERIT annual reports on the website</li> <li>• provide quarterly reports on MERIT referral, acceptance and completion rates by court to the Chief Magistrate</li> <li>• compare the performance of MERIT teams in regard to referrals, acceptances and completions and investigate inconsistencies.</li> </ul>	<p><b>Ongoing:</b> The 2009 MERIT Annual Report has been released electronically and the 2010 Annual Report will be published online later in 2012. Future reporting will be in the form of a bulletin report that will include information on Aboriginal participation rates.</p> <p>NSW Health continues to monitor and report on the performance of MERIT Teams each quarter and at each Statewide Steering Committee meeting.</p> <p>A quarterly report continues to be provided to the Chief Magistrate detailing referrals, acceptances and completions recorded for the 65 participation local courts.</p>