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Public Accounts Committee

INQUIRY INTO HOME AND COMMUNITY CARE PROGRAM

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Charter of the Committee

The Public Accounts Committee has responsibilities under Part 4 of the *Public Finance and Audit Act 1983* to inquire into and report on activities of Government that are reported in the Total State Sector Accounts and the accounts of the State's authorities.

The Committee, which was first established in 1902, scrutinises the actions of the Executive Branch of Government on behalf of the Legislative Assembly.

The Committee recommends improvements to the efficiency and effectiveness of government activities. A key part of committee activity is following up aspects of the Auditor-General's reports to Parliament. The Committee may also receive referrals from Ministers to undertake inquiries. Evidence is gathered primarily through public hearings and submissions. As the Committee is an extension of the Legislative Assembly, its proceedings and reports are subject to Parliamentary privilege.

Terms of Reference

On 7 June 2006, the Committee adopted the following Terms of Reference, to consider both the HACC program as a whole and the management of the Home Care Service.

(1) The efficiency and effectiveness of the joint arrangements by the Commonwealth and NSW State Government for approval of the annual expenditure plan for the HACC program, with a focus on the timeliness of agreement of the plan and discharging of grants;

(2) A follow-up inquiry of the Auditor-General's review of the NSW Home Care Service in terms of:

  (a) Strategies for addressing unmet need in the context of growing demand for services from eligible parties
  (b) The effectiveness of Home Care Service processes for managing access to services, across service types
  (c) The extent of consumer input to Home Care Service design, management or delivery of programs and other mechanisms for assessing service quality
  (d) The implementation by DADHC and Home Care Service of systems and processes to plan, monitor, report on and improve accountability of the service; and

(3) Any other relevant matters.

Chair's Foreword

I am pleased to table this Report of the Public Accounts Committee's inquiry into the Home and Community Care program. The Committee did two things in this inquiry. Firstly we examined joint arrangements at the Commonwealth and State level for HACC funding and administration. Then we followed up the recommendations of a performance audit report conducted by the NSW Auditor-General into the Home Care Service of NSW in 2004.

The HACC program is one of the truly collaborative and community-based programs in the Australian community, with the State and Commonwealth Governments jointly funding and administering the program and substantial financial and other support for infrastructure and projects from local governments, service providers and consumers.

HACC provides valuable service to some of the most vulnerable members of our communities – frail aged people, people with a disability and their carers.

However, the HACC program faces some daunting challenges as our population ages and administrators come to terms with community needs and expectations of services. The Committee recognises that the HACC program must be responsive to these challenges but it also needs to be prudently managed and be accountable for the use of resources.

The majority of submissions to the inquiry identified examples of concern and delays to the approval of much-needed project funding. They called for HACC funding and administration to be overhauled. I am pleased to note that the NSW Government, together with the Commonwealth, had begun to address these funding and administrative issues. I am also pleased that the NSW Government has been recognised for its effort in addressing funding delays, in the timely release of funding allocations and in moving toward a triennial funding plan for the HACC program. These reforms were strongly endorsed as the way forward by most of the stakeholders who made submissions to the inquiry.

However, stakeholders also presented compelling evidence of the need for the Government to be more proactive in quantifying and responding to those people assessed as eligible for services but whose needs cannot be met currently through the HACC program, either through the Home Care Service of NSW or other HACC service providers. There are respected sources of information indicating that unmet need for HACC services is large and growing. I believe, and the Committee has recommended, that this critical gap should be addressed jointly by the NSW and Commonwealth Governments to ensure the HACC program remains robust, responsive to community needs and able to demonstrate value for money.

The Committee notes that the Home Care Service of NSW is the largest service provider of HACC services in NSW. The Home Care Service has a vital role in delivering much needed services, sometimes in local areas where there is no other provider. The dedication of Home Care Service staff to their important role is to be commended. I was pleased to see this dedication acknowledged in submissions to the inquiry from experts and service providers.

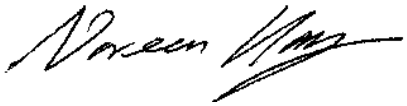
I have also noted that, at the time of the Auditor-General's performance audit report, DADHC and the Home Care Service were undergoing significant reforms and that these have continued. However, not all the Auditor-General's recommended reforms have been implemented or continued apace. I would like to see renewed effort by DADHC and the HCS

in focusing on actions arising from the Auditor-General's 2004 report and the Committee's further recommendations contained in this report. I see such a focus as a way in which improvement to service can continue to be achieved with improved accountability and transparency of administration assured.

I would like to thank all those who made thoughtful submissions to the inquiry and those who presented evidence during public hearings. I would particularly like to thank representatives of the Department of Home and Community Care and the Home Care Service of NSW for their information and evidence.

I would also like to express my appreciation to the Secretariat for its assistance in the conduct of the inquiry, particularly Jackie Ohlin, Senior Committee Officer, for the preparation of this report.

Finally, I would like to thank members of the Committee for their enthusiastic engagement with the issues addressed in the report.



Noreen Hay MP
Chair

List of Recommendations

RECOMMENDATION 1:

While the Committee is pleased to acknowledge the significant efforts of the NSW and Commonwealth Governments in expediting approval of the State Annual Plan for HACC, and welcomes the move toward a triennial planning and funding cycle under a new HACC agreement, it recommends that both parties retain a strong focus upon implementation of the Triennial HACC Plan as a matter of urgency to provide stakeholders with assurance and the community at large with confidence in a well-managed program that will meet its needs in the future.

RECOMMENDATION 2:

That

(a) in the process of responding to the Commonwealth Community Care Reforms and renegotiating the new HACC Agreement, the NSW Government work together with the Commonwealth Government and in consultation and partnership with HACC service providers and consumers to shift the focus for the HACC program from that of inputs and outputs to one of articulated outcomes for consumers; and

(b) that the HACC program be structured with appropriate benchmarks, measures of progress and improved flexibility for the allocation of funding to achieve these outcomes.

RECOMMENDATION 3:

That the NSW Government continue to work together with the Commonwealth to develop a more robust and reliable methodology for estimating the HACC target population, including projections of growth. This should be applied expeditiously.

RECOMMENDATION 4:

That the NSW Government seek financial compensation from the Commonwealth Government to address the HACC funding shortfall generated as a result of the 2005 statistical anomaly.

RECOMMENDATION 5:

That the NSW Government propose to the Commonwealth Government that processes for joint administration of the HACC program be articulated and agreed, including targeted timeframes for the approval and public reporting through the announcement of HACC plans and the subsequent discharge of grants.

RECOMMENDATION 6:

That the NSW and Commonwealth Governments, in consultation and partnership with stakeholders, discuss and agree a method for disbursing unspent HACC funds in order that these can be efficiently and appropriately applied to identify and address consumer needs.

RECOMMENDATION 7:

That the Department of Disability, Ageing and Home Care

(a) proceed with investment in the electronic lodgement of funding acquittals for HACC program funds, encouraging voluntary lodgement by service providers and offering support and encouragement for the option, with offers of software packages, training and telephone support to service providers; and

(b) investigate ways of providing additional support for electronic lodgement of acquittals to service providers wishing to lodge acquittals electronically but not currently having the systems capacity to do so.

RECOMMENDATION 8:

That the NSW Government develop more effective processes and structures for dialogue, including information-sharing, problem-solving and, where appropriate, decision-making, between HACC program administrators and representatives of service providers and consumers in the non-government sector, in consultation and partnership with them, for continuous improvement of the HACC program.

RECOMMENDATION 9:

That the NSW Government encourage the Commonwealth Government to engage more effectively with non-government stakeholders in consultations about the Community Care Reform process, seeking their input and advice about proposals as a matter of priority to ensure that flexible and locally appropriate solutions can be incorporated.

RECOMMENDATION 10:

That the NSW Government encourage the Commonwealth Government to ensure that, in the process of acting upon Community Care Reforms, the HACC program retains its capacity for multiple entry points, appropriately coordinated to extend service access and encourage diversity of service choice.

RECOMMENDATION 11:

That the NSW Government work together with the Commonwealth Government and the HACC non-government sector to ensure the fair and equitable inclusion of all designated HACC target groups and that their inclusion needs to be achieved either through efficiency gains or the expansion of resources rather than contracting existing services to accommodate this aim.

RECOMMENDATION 12:

That the NSW Government negotiate with the Commonwealth Government to apply an allowance for growth funding, indicated within the *Home and Community Care Act 1985* to address identified unmet need within the HACC program in the future.

RECOMMENDATION 13:

That the NSW Government urge the Commonwealth Government to jointly consider and agree to a quota of funds for statewide administration of the HACC program above the current, inadequate level of 0.79% and sufficient for appropriate governance of the program.

RECOMMENDATION 14:

That the Commonwealth Government meet its obligation to fund its share of increases legally granted to HACC workers under the Social and Community Services (SACS) Award and not paid to date, and that this funding include recompense to the NSW Government for ensuring that HACC workers have received their entitlements in full.

RECOMMENDATION 15:

That the NSW Government work with the Commonwealth Government to ensure that an adequate level of indexation is provided to assist HACC service providers to meet their legal and administrative accountabilities, thereby ensuring that resources do not have to be diverted from service provision.

RECOMMENDATION 16:

That HACC program administrators within NSW and the Commonwealth Governments jointly discuss and develop a workforce plan for the HACC services sector in consultation with non-government service providers and consumers, and that this plan include access to training currently available to Government employees whereever appropriate and possible.

RECOMMENDATION 17:

That the Home Care Service continue to maintain waiting lists for persons assessed as eligible for a service, but ensure these lists are comprehensive, as a means of quantifying unmet need and assuring that a systematic approach is applied to referral of such persons to services elsewhere.

RECOMMENDATION 18:

That, in addition to the maintenance of comprehensive waiting lists, Home Care Service use unique client identifiers to ensure that clients assessed as eligible but unable to immediately access a service do not fall thorough cracks in the system but are identified and able to be contacted periodically to determine if service needs have changed.

RECOMMENDATION 19:

That DADHC, in consultation with the HACC services sector, further examine the concept of service entitlement as a means of allowing people with episodic conditions to access HACC services, provided such an entitlement process occurs in an environment in which service funds are being expanded to meet the requirements of specific needs groups.

RECOMMENDATION 20:

That DADHC, in consultation with service providers and consumers, participate in the review of access points in the community care system.

RECOMMENDATION 21:

That HCS management work together with the Referral and Assessment Centre to continue to improve the responsiveness of the RAC to the needs of those making contact, maximising human contact and ensuring people assessed as eligible for a service are provided either with contact details of other local HACC services or with a supported referral. Business proposals and staff training should be amended as a result.

RECOMMENDATION 22:

That HCS management, together with the Referral and Assessment Centre staff, and in consultation and partnership with stakeholder groups

(a) continue to participate in the development of appropriate assessment tools to accommodate carers' needs; and

(b) regularly review assessment tools to ensure they are appropriately addressing the needs of all special needs groups.

RECOMMENDATION 23:

That HCS management and Referral and Assessment Centre staff regularly monitor the effectiveness of RAC intake and assessment processes.

RECOMMENDATION 24:

That HCS management investigate instances of refusal of services to consumers based upon prejudice, misconception or fear about their lifestyles or conditions and improve staff and volunteer training in this regard.

RECOMMENDATION 25:

That HCS management implement a standardised process for the reassessment of consumers of HCS services whose needs may have changed. This will provide better consumer responsiveness as well as ensuring that new service places can be provided, as appropriate.

RECOMMENDATION 26:

That HCS management expedite the implementation of a client fees policy for the service, in order to appropriately address capacity to pay, to overcome the problem of inherent unfairness where clients on similar incomes and receiving similar services are paying different fees and to allow automatic indexing of fees.

RECOMMENDATION 27:

That, in recognition of its multiple roles in relation to the HACC program of administrator, funder and provider of services, DADHC ensure the highest degrees of transparency and accountability for the separation of these roles and, accordingly, that DADHC ensure that the Home Care Service as a service provider is subject to the same standards and processes of accountability as required by the Department of other service providers.

RECOMMENDATION 28:

That HCS formally identify consumer representative positions on the Home Care Service Advisory Board.

RECOMMENDATION 29:

That HCS implement a supported process by which consumer input and issues are brought before the HCS Advisory Board for consideration and by which feedback can be provided to consumer organisations.

RECOMMENDATION 30:

That HCS support the appointment of a carer representative to the Home Care Service Advisory Board.

RECOMMENDATION 31:

That, as part of better responding to consumer issues, HCS routinely survey unsuccessful RAC applicants as part of its consumer satisfaction surveys.

RECOMMENDATION 32:

That HCS clarify how it routinely analyses service wide complaint data to identify and respond to systemic issues and, as part of its analysis and response process, make service wide complaint data available to the Home Care Service Advisory Board.

RECOMMENDATION 33:

That DADHC and HCS add to the reporting of performance in annual reports by reporting on service outcomes and, in particular, performance targets and service strategies for special needs groups and also report publicly on under-performance.

RECOMMENDATION 34:

That HCS implement a regular program of assessing the quality of HCS services in the home.

RECOMMENDATION 35:

That HCS develop measures of effectiveness to monitor the impact of services to determine what impact home-based care has on assisting people to remain living at home for longer than if those services were unavailable.

RECOMMENDATION 36:

That, should further work be undertaken on the HACC benchmarking study, DADHC seek to ensure that services are differentiated according to type and location.

RECOMMENDATION 37:

That the Minister for Community Services consider amending the definition of child-related employment in the *Child Protection (Prohibited Employment) Act 1998* to include home-based care.

RECOMMENDATION 38:

That, once the relevant legislation is changed, HCS expedite the implementation of the Auditor-General's recommendation relating to the development of 'child-safe and child-friendly policies and procedures and working with children checks', and that a schedule for the completion of these checks be developed for home care workers in homes where children are present or likely to visit.

RECOMMENDATION 39:

That DADHC and HCS ensure that there is adequate and appropriate communication between themselves and the Aboriginal Community Care Gathering Committee about processes for service planning and provision for Aboriginal and Torres Strait Islander people now and into the future.

RECOMMENDATION 40:

That DADHC examine and monitor the provision of community transport for instances where its availability and flexibility could be improved and make program/project changes accordingly.

Glossary

ACAT	Aged Care Assessment Team
CACP	Community Aged Care Package
CALD	Culturally and Linguistically Diverse
COP	Community Options Package
DADHC	Department of Ageing, Disability and Home Care
EACH	Extended Aged Care in the Home
HACC	Home and Community Care (Program)
HACCDO	HACC Development Officer
HCS	Home Care Service of NSW
HNP	High Need Pool
MDS	Minimum Data Set
RAC	Referral and Assessment Centre

Chapter One – Introduction and Background

1.1 The Committee resolved in November 2005 to undertake an inquiry to follow up recommendations of the Auditor-General's Performance Audit: *Home Care Service: Department of Ageing, Disability and Home Care* during 2006. However, in May 2006, the Committee received a request from the Hon John Della Bosca MLC, NSW Minister for Ageing and Disability Services, requesting that it review aspects of the Home and Community Care (HACC) program. Of particular concern was the efficiency and effectiveness of the joint arrangements entered into by the Commonwealth and NSW State Governments for the approval of the annual expenditure plan for the HACC program, and the timeliness of the release of that Plan and the discharge of grants.

1.2 This Chapter provides a discussion of the HACC program and relevant key issues.

THE HACC PROGRAM

1.3 The HACC program is a joint Commonwealth/State[1] initiative established in 1985 to provide mainly home-based community care services to frail aged and younger people with disabilities, and their carers.

1.4 The HACC program originally consolidated several existing programs which provided home nursing, home help, delivered meals and paramedical services, predominantly to elderly people. At that time, as the House of Representatives Standing Committee on Community Affairs observed, bringing these disparate programs under the one umbrella and changing the 'target' group to include the frail elderly, younger people with disabilities and their carers was intended to reduce premature or inappropriate admission to residential care, and to develop a comprehensive system of community care for the target group. Ten years into the program, the Committee also observed a high level of community support for the services provided by the program as:

> ...critical to the capacity of members of the target group to remain in their own homes in the community.[2]

1.5 The current ratio of funding is that the Commonwealth Government provides approximately 60% of funds and the States within their own jurisdictions provide approximately 40% for the operation of the program. In 2005-06, in New South Wales, total funds for the HACC program were $443.955m. These included $20.75m in growth funding for new and expanded services and $9.1m for cost indexation for existing services. The NSW State Government has also made available an additional unmatched $4.056m per annum since 2002-03 for community services organisations employing staff under the Social and Community Services (SACS) Award.[3] Many local governments and community-based organisations also provide funding support for the program in terms of infrastructure and management support which is not costed in the program funding formula.

[1] Throughout this report, references to States include the Northern Territory and the Australian Capital Territory.
[2] House of Representatives Standing Committee on Community Affairs, *Home But Not Alone: Report on the Home and Community Care Program*, July 1994, pp 2, 3
[3] Department of Ageing, Disability and Home Care, submission No 20, p 1

1.6 The Commonwealth Government describes the aims of the HACC program as:

- to provide a comprehensive, coordinated and integrated range of basic maintenance and support services for frail aged people, people with a disability and their carers; and
- to support these people to be more independent at home and in the community, thereby enhancing their quality of life and/or preventing their inappropriate admission to long term residential care.[4]

1.7 The types of services funded through the HACC program include, but are not limited to:

- nursing care
- allied health care
- meals and other food services
- domestic assistance
- personal care
- home modification and maintenance
- transport
- respite care
- counselling, support, information and advocacy
- assessment.

1.8 The HACC program operates under the *Home and Community Care Act 1985*. It specifies the joint and respective roles of the Commonwealth and State Governments. As Ms Janet Milligan, Executive Director of Strategic Policy and Planning with the Department of Ageing, Disability and Home Care explained to the Committee:

> A group of responsibilities is shared by both levels of government. The specific role of the Australian Government is national program policy and assessment of the State's compliance with the [jointly agreed HACC] Agreement. New South Wales is solely responsible for the management of the Program in this State, for developing service delivery policy and process, the planning information and the performance information. In summary, we share responsibility for the funding and for some of the key framework parts of the Program, the Australian Government is responsible for national policy and we run the Program in New South Wales.[5]

1.9 There are many service providers across vastly different service types providing HACC services. The Commonwealth Government notes that across the nation, as at September 2005, there were approximately 3,100 HACC-funded organisations providing services to 750,000 per year.[6] In NSW, as Ms Carol Mills, Deputy Director-General, DADHC, observed:

> … we have well over 500 service providers that range from very strongly volunteer based to often very large non-government organisations with multi-million dollar budgets and very professional systems and support.[7]

[4] www.health.gov.au/internet/wcms/publishing.nsf/Content/hacc-index.htm
[5] Ms Janet Milligan, Executive Director, Strategic Policy and Planning, DADHC, transcript of evidence, 22 September 2006, p 3
[6] www.health.gov.au/internet/wcms/publishing.nsf/Content/hacc-index.htm
[7] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 22 September 2006, pp 7, 8

THE ANNUAL STATE PLAN

1.10 The State Annual Plan for HACC specifies program priorities jointly agreed between Ministers in a national triennial plan as the basis for joint (State and Commonwealth) Ministerial approval.[8] The National Guidelines also indicate that Annual Plans use information drawn from Statewide advisory or consultative mechanisms. Further, the Annual Plans include service outputs.

1.11 State Government officers have primary responsibility for the development of Annual Plans.

1.12 Ms Carol Mills, Deputy Director-General, DADHC, explained to the Committee that the Annual Plan encompasses the whole program, including the component allowing for 'growth' funding for new and expanded services, which was approximately 5% of the total program budget in 2005-06.[9]

1.13 The Annual Plan requires approval by both the NSW and Commonwealth Ministers with responsibility for the HACC program. The Annual Plan describes in intricate detail how growth funding will be applied and the area of the State and type of service to which it will be applied. The Committee heard that previous delays had been due to problems with the funding instrument rather than the Annual Plan.[10]

1.14 In its submission, DADHC noted that it believes there is a 'disproportionate focus' on the annual planning for growth projects comprising such a small percentage of the overall budget.[11]

HOME CARE SERVICE OF NSW

1.15 The Home Care Service of NSW (HCS) is a business unit of the Department of Ageing, Disability and Home Care. Prior to that, it operated as a statutory authority under the Department of Community Services.

1.16 New South Wales is unique in that the HCS is the largest Government provider of HACC services. The Auditor-General found that, in 2003-04, the HCS received about 34% of total funds for the HACC program in NSW and provided about 90% of all HACC domestic assistance and personal care services. The next largest service provider received $5.5m from the HACC program in 2003-04.[12]

1.17 As the NSW Auditor-General noted in the 2004 Performance Audit Report, HCS first started in 1943 as the Housekeeper's Emergency Service, helping women in illness, childbirth or other emergencies. Over time, the role and services evolved to home-based care for frail aged and disabled people. The HCS is also highly decentralised across the State.[13]

[8] *National HACC Program Guidelines*, Commonwealth of Australia, July 2002, p 13
[9] Ms Carol Mills, transcript of evidence, 22 September 2006, pps 1,2
[10] Ms Janet Milligan, transcript of evidence, 22 September 2006, p 4
[11] DADHC, submission No 20, p 8
[12] NSW Audit Office, *Home Care Service: Department of Ageing, Disability and Home Care*, October 2004, p 12
[13] *ibid*, p 10

1.18 The Committee heard that now, every month, 4,000 staff across 42 Home Care Service branches deliver services to more than 38,000 people across NSW.[14]

1.19 Ms Claire Vernon, Executive Director, Home Care, also reported that the Home Care Service recently moved reporting arrangements for Aboriginal branches from a statewide level to regional directors to improve networking and support for branch managers in Aboriginal branches.[15]

1.20 The Referral and Assessment Centre of the Home Care Service is a centralised business unit responsible for receiving referrals and assessing the eligibility and service needs of people referred to the Home Care Service. Individuals can also contact the Centre if they believe they require services. The Committee acknowledges that this Report does not attempt to evaluate all aspects of the Home Care Service.

KEY FACTORS FOR HACC AND HCS

Diversity of Services

1.21 The HACC program encompasses a large number of service providers delivering a diversity of services across a broad geographic area. There may be very large or very small service providers operating in a local area. Services are provided by either volunteers or paid staff. This scale and diversity is regarded by DADHC as a strength of the program.[16]

1.22 HACC emerged, nationally, as an innovative community-based response to identified needs. When introducing the *Home and Community Care Act* in 1985, the Commonwealth Minister responsible for the Program, Senator the Hon Don Grimes said:

> The Home and Community Care Program signals a new approach to the planning of community services in Australia, an approach which will hold out the possibility of achieving a more caring and equitable society. Services which are appropriately planned, distributed and financed provide an essential complement to other social policies in achieving social equity and needed support to ensure that our society functions properly.[17]

1.23 As an illustration of this diversity, DADHC indicates that there are approximately 582 non-government, local government and State Government HACC service providers in NSW including the HCS.[18]

1.24 Along with identified strength, however, this diversity in the HACC service system generates its own complexity, which could also be a lever for tensions in service planning. What began as a community-based response to community problems is now a program subject to strong centralised control over its key planning instruments. This can result in inbuilt inflexibilities in the name of program accountabilities which can seem incomprehensible to service providers and consumers. Further, program

[14] Ms Claire Vernon, Executive Director, Home Care, DADHC, transcript of evidence, 22 September 2006, p 2
[15] *ibid*, p 2
[16] Ms Janet Milligan, transcript of evidence, 22 September 2006, p 7
[17] Senator the Hon Don Grimes, quoted in House of Representatives Standing Committee on Community Affairs, *Home But Not Alone: Report on the Home and Community Care Program,* July 1994, p 9
[18] DADHC, submission No 20, p 3

administrators are expected to consult and incorporate stakeholder views in service planning and delivery which can lead to a raising of expectations upon which program administrators may be unable to deliver due to political constraints.

Unmet Need

1.25 The Committee is aware of numerous reports of ongoing and chronic unmet need relating to services for the frail aged, people with a disability and carers. The extent of unmet need has been documented in reports by the Australian Bureau of Statistics (ABS), the Australian Institute of Health and Welfare (AIHW) and the Productivity Commission. Some of these reports are discussed in Chapter Two. There has also been documentation of unmet need relating to the HACC program since its inception. The *Home But Not Alone* report in 1994, made the following comment about the HACC target group:

> The Commonwealth Department of Human Services and Health, in its submission, estimates that ... the potential HACC target group is between 576,100 (severely disabled persons living in the community) and 1,166,000 (moderately and severely disabled persons living in the community). The submission goes on to note that an estimated 215,000 people receive HACC services in a month. The Department further states that the target group of carers of people with a severe handicap was estimated in 1993 at 348,000. An estimated 117,000 HACC consumers have a carer who would benefit indirectly from the provision of HACC services... Even the more conservative estimate of the potential target group for HACC services indicates a significant undersupply of HACC services. Nor do these estimates take into account the size of the target group in the no growth areas of HACC. It should be kept in mind, however, that it is unlikely that all those who fall within the ABS definitions of severe or moderate disability require or desire HACC services.[19]

1.26 Unmet need has also been more recently identified in relation to HACC services in NSW, predominantly by consumers and service providers, including in submissions to this inquiry. The issue was also identified by the NSW Audit Office in its Performance Audit of Home Care Service of NSW, which found that HCS operated in an increasingly difficult and changing environment due to the increased demand for assistance from the ageing population and the expectation that this population will increase dramatically.[20] It also found that:

> HCS is under considerable pressure as care needs far exceed available resources. In 2002-03, half of all applicants eligible for a HACC service received a service from HCS. This declined to one in four applicants in 2003-04.[21]

1.27 Other concerns about the scale of unmet need for HACC services, generally, were expressed in terms of the lack of appropriate HACC age-specific services.[22] However, the NSW Government has invested more than $1 billion as part of the *Stronger*

[19] House of Representatives Standing Committee on Community Affairs, *Home But Not Alone: Report on the Home and Community Care Program,* July 1994, pp 29, 30

[20] NSW Audit Office, *Home Care Service: Department of Ageing, Disability and Home Care,* October 2004, p 12

[21] *ibid,* p 14

[22] For example in confidential submission No 5; Macarthur Disability Services, submission No 10, p 4; Ms Deirdre Freyberg, Project Manager, Ethnic Child Care, Family and Community Services Cooperative Ltd, transcript of evidence, 25 September 2006, p 21

Together program to provide additional services for people with a disability, parents and carers, which should help to address these concerns.[23]

1.28 Some service providers pointed out a lack of focus by the HACC program upon the needs of carers, although carers are specifically identified as a HACC 'target' group. This concern was noted by several parties making submissions to the inquiry, including Carers NSW, the Cancer Council of NSW and Northside Community Forum Inc.

1.29 In response to the NSW Audit Office finding, the Department of Ageing, Disability and Home Care acknowledged an increasing demand on the services of the HACC Program. It also noted that because HCS is often the first contact point for the overall HACC program in NSW, there is 'not always an understanding that there are a range of providers in NSW which clients can access.'[24] In this inquiry, the Department was concerned to note that generally-reported levels of unmet need should not be taken as equating to unmet need for the HACC program.[25] These concerns are discussed in the following Chapters.

Commonwealth Community Care Reform Process

1.30 In 2004, the Commonwealth Government introduced a new strategy for community care, *The Way Forward.* It focuses on the respective packages providing aged care support, including the HACC Program, Community Aged Care Package (CACP) and Extended Aged Care in the Home (EACH). In proposed reforms, it aims to address a common approach to assessment, consistency in data collection and consumer fees, standardised accountability and quality assurance and coordinated planning.[26] The Commonwealth strategy also includes reference to a 6% increase in the National Respite for Carers Program and additional support for carers through the Department of Family and Community Services Carers Package.[27]

1.31 Some service providers and consumers have expressed concern that they are largely excluded from participation in the reform process, and indicate that because of this structural oversight, the process may overlook innovations already in place. These concerns are also discussed in the following Chapters.

1.32 The Department of Ageing, Disability and Home Care has also contributed to the discussion of future challenges for community care, in documents such as *Future Directions* (August 2004), addressing the needs of older people, people with a disability and their carers.

1.33 It should also be noted that, in addition to government information, ongoing HACC Issues Forums provide a useful and well-documented source of information concerning problems and challenges identified with the HACC program and its implementation.

[23] DADHC, *Stronger Together: A direction for disability services in NSW 2006-2010,* p *iii*
[24] NSW Audit Office, *Home Care Service: Department of Ageing, Disability and Home Care,* October 2004, p 14
[25] Ms Janet Milligan, transcript of evidence, 22 September 2006, p 13
[26] Commonwealth of Australia, *A New Strategy for Community Care – The Way Forward*, 2004, p 15
[27] *ibid*, p 15

THE INQUIRY

1.34 The Committee adopted comprehensive Terms of Reference for the inquiry on 7 June 2006. These include both the HACC program and following up on the recommendations of Auditor-General's Performance Audit Report.

1.35 In the course of the inquiry, 20 submissions were received, from the Department of Ageing, Disability and Home Care, from service providers and consumer organisations. These are listed in Appendix One.

1.36 The Committee conducted public hearings on:

- Friday 22 September 2006
- Monday 25 September 2006
- Wednesday 18 October 2006
- Wednesday 25 October 2006.

1.37 Transcripts of the evidence are available from the Committee's website and Appendix Two has a list of witnesses.

THE STRUCTURE OF THIS REPORT

1.38 Chapter Two outlines concerns and issues with the development and implementation of the State Annual Plan, as identified by parties to the inquiry.

1.39 Chapter Three identifies potential solutions for consideration in improving the process of the State Annual Plan.

1.40 Chapter Four discusses issues and concerns raised by parties about the Home Care Service of NSW progress toward adopting the recommendations of the Auditor-General.

1.41 Chapter Five addresses other relevant matters raised during the course of the inquiry, specifically issues relating to Aboriginal and Torres Strait Islander people and Community Transport.

1.42 Chapter Six sets out performance improvement opportunities for the Home Care Service of NSW as a result of the Committee's deliberations.

Chapter Two – The State Annual Plan: Concerns and Issues

2.1 This Chapter addresses a range of concerns and issues raised during the inquiry about the joint NSW and Commonwealth Government arrangements for reaching agreement about the State Annual Plan and its implementation.

EFFECTS OF DELAYS IN SIGNING THE PLAN

2.2 The Committee heard from many stakeholders that delays in the signing of the Annual Plan have been considerable. For example, NCOSS noted that, in the past three years, the release of HACC funding has been delayed by at least eleven months.[1] The Aged and Community Services Association of NSW and the ACT (ACS) said:

> To ACS's knowledge, since 1999 no HACC State Plan has been approved by both the Federal and State Ministers for Ageing before November (the fifth month) in each financial year, and in most cases they have been later than March (the ninth month).[2]

2.3 Eastern Sydney Home and Community Care Forum noted in its submission that:

> HACC services are waiting two years and more to find out if they have received growth funding through the annual Regional planning process.[3]

2.4 In their submissions to the inquiry, many service providers and consumers expressed their concern and frustration about the delays and the impact of these upon service delivery. For example, the NSW Meals of Wheels Association said:

> These delays greatly increase the workload of already overstretched service providers, and impact ultimately on the clients whose welfare the program is intended to ensure.[4]

2.5 Carers NSW indicated that its primary concern about significant delays in signing of the HACC State Plan is that:

> … due to these delays many carers and people requiring support who could be receiving services are not.[5]

2.6 Sutherland Shire Community Care Network noted one consequence of the delays:

> Service users and their families continue to feel frustrated, and may suffer breakdown, when help in the form of new or increased funding is just around the corner.[6]

2.7 ACS commented that delays in the annual allocation of growth funding can also impact adversely on health funding, because:

> … people remain in hospital until community services become available.[7]

2.8 Several service providers indicated that delays in growth funding announcements curtailed service planning. ACS noted that:

[1] NCOSS, submission No 11, p 4
[2] Aged and Community Services Association of NSW and the ACT, submission No 7, p 6
[3] Eastern Sydney Home and Community Care, submission No 17, p 1
[4] NSW Meals on Wheels Association, submission No 8, p 1
[5] Carers NSW, submission No 12, p 3
[6] Sutherland Shire Community Care Network, submission no 15, p 2
[7] ACS, submission No 7, p 7

> The majority of HACC services do not have the capacity to respond to increased demand or changing priorities until the annual approval of the HACC State Plan. Furthermore, the continual uncertainty of what time of year HACC growth funding may be released severely undermines any ability for organisations to plan future growth and human resource requirements.[8]

2.9 While this impacted adversely on all organisations, the Ethnic Child Care, Family and Community Services Cooperative noted that the effect of delays upon the recruitment and retention of staff was particularly harsh for small organisations.[9] Northside Community Forum Inc also said that the time lapse 'can affect the stability and viability of smaller organisation(s).'[10]

2.10 The processes leading to the announcements of the Plan are themselves seen as flawed by some commentators. The NCOSS submission stated that it was told that reasons for the delays included disagreements over the wording of media announcements, the secrecy surrounding the announcements has been seen as excessive and there has been little transparency in the tracking of the Plan's approval.[11] The slowness of the Plan to be publicly released has also been criticised.[12] Sutherland Shire Community Care Network said that one consequence is that it becomes difficult to sustain the interest and involvement of stakeholders in regional planning processes.[13] Several parties commented that, because of the current constrained cycle of annual planning, it was imperative for service providers, in particular, to sight the Annual Plan as soon as possible in order to inform planning processes for the next cycle.

2.11 DADHC also acknowledged the frustration of the current annual planning constraints, in that, until the Annual Plan is formally approved, growth funds cannot be transferred to service providers.[14]

2.12 Several stakeholders also indicated concern that, as a result of delays, planning, service provision and funding acquittal cycles were out of synchronisation. Sutherland Shire Community Care Network noted that:

> Local stakeholders find themselves in the next planning cycle … without an inkling of the outcomes from the previous one and could either wrongly assume a significant issue had been addressed and not prioritise it in the current cycle or waste time discussing something the funding body has addressed in the previous State Plan.[15]

2.13 In correspondence to the Chair of the Committee about the inquiry, the Commonwealth Minister with responsibility for the HACC program, Senator the Hon Santo Santoro, noted that there were previously delays in funding allocations in NSW alone, and attributes these to 'concerns about New South Wales's management of the HACC program' under previous Ministers. Senator Santoro also said:

[8] ACS, submission No 7, p 7
[9] Ethnic Child Care, Family and Community Services Cooperative Limited, submission No 3, p 2
[10] Northside Community Forum Inc, submission No 16, p 3
[11] NCOSS submission No 11, p 6
[12] NSW Meals on Wheels Association, submission No 8, p 2; ACS, submission No 7, p 7
[13] Sutherland Shire Community Care Network, submission No 15, p 2
[14] Ms Janet Milligan, DADHC, transcript of evidence, 22 September 2006, p 4
[15] Sutherland Shire Community Care Network, submission No 15, p 2

> I am pleased to say there have been significant improvements. Under Minister Della Bosca's leadership, historic funding allocations have now been fully acquitted. There are now firm plans to spend unallocated funds and these have been agreed between the Australian Government and the New South Wales Government. I have also seen significant improvement in the timeliness of the New South Wales Government business processes, with the 2006-07 annual plan and funding packages provided early in the financial year.[16]

FAILURE OF THE FUNDING FORMULA

2.14 In its submission, DADHC outlined a particular problem which had occurred for funding of the NSW HACC Program in 2005-06 as the result of a 'statistical aberration' when:

> The Commonwealth Government's revised estimate of the NSW HACC target population for 2005-06 was 10% less than the corresponding estimate based upon disability rates from the 1998 [ABS] survey.[17]

2.15 Consequently, growth funding for the NSW HACC Program budget for 2005-06 was significantly less than anticipated, and, according to DADHC, resulted in an extensive revision of plans for the expansion of HACC services across the State. There was also a 'significant variation' in the Commonwealth Government's estimate of the HACC target population from 1993 to 1998.[18] In evidence provided to the Committee, Ms Janet Milligan said that the Commonwealth Government had also recognised the situation as a statistical problem and had sought to average the available figures but was relying on more robust Census-based data before it could redress the situation fully.[19] The 2006 Census included questions about disability and requirements for assistance. Information about the results of these particular Census questions will be published by the Australian Bureau of Statistics in due course. DADHC advised that it is also exploring alternate methodologies for the estimation of the HACC target population through the Community Care Review and the ABS.[20]

UNPLANNED ACCUMULATIONS

2.16 According to many service providers, one perverse effect of growth fund delays, especially when delays have been protracted, has been that the funding body makes hurried transfers of large sums of HACC Program funds to service provider bank accounts, without any accompanying information as to their purpose.[21] NCOSS noted that these 'urgent releases' of funding sometimes occurred for purposes that were 'neither previously planned or consulted.'[22] The resulting paper chase on the part of service providers to clarify the purpose of the funds was, according to them, frustrating and time-consuming.

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[16] Correspondence from Senator the Hon Santo Santoro, Minister for Ageing, to Ms Noreen Hay MP, Chair, Public Accounts Committee, 2 November 2006, pp 1, 2
[17] DADHC, submission No 20, p 7
[18] *ibid,* p 7
[19] Ms Janet Milligan, DADHC, transcript of evidence, 25 October 2006, p 11
[20] DADHC, submission No 20, p 8
[21] Submission Nos 6, 8, 9, 11, 13, 15, 17
[22] NCOSS, submission No 11, p 4

2.15 In addition, service providers note that funding documents are often out of date or contain errors and while service providers have been awaiting growth funding, sometimes for extended periods, their needs have changed or been addressed.[23]

2.16 Adding to the frustration of service providers and consumers under current rules is that unplanned accumulations of funds must often (because of their late arrival) be spent quickly, within a specified period, strictly for the identified purpose and only on non-recurrent services. This is not always possible and unspent funds must be returned.

2.17 DADHC commented that:

> When approval of the NSW HACC Program Annual Plan is delayed there is a significant risk of delays in new service provision and inefficient or inappropriate expenditure at the end of the financial year.[24]

2.18 Gosford City Council noted:

> The grants themselves come through in late June and need to be discharged by the end of the financial year. A consequence can be that money is sent back to funding departments after the acquittal process due to the business rules in their contracts.[25]

2.19 If funds cannot be spent, they must be returned and acquitted annually. The impression received by the Committee is that, while the late arrival of funds may be welcomed, their 'untimeliness', particularly if earlier identified needs have changed, adds an unnecessary administrative layer or distraction to overstretched services. Northside Community Forum wrote:

> organisations [are] preparing acquittals for unspent allocated funds (often small amounts) in December, followed by offers of 'one-off' – 'non-recurrent' grants before the end of the financial year. Not only is this resource intensive for an under resourced sector but results in a lack of continuity of service delivery for clients.[26]

2.20 The Committee heard that there is also no current avenue for discussion about whether or how to re-allocate funding for needs that may have changed or indeed how to address related, new needs identified in the interim. Some stakeholders proposed methods for allocating unspent HACC funds. Alzheimer's Australia (NSW) suggested that underspent funds, understood to be in excess of $38 million nationally, should be allocated to the HACC Capital Program, both because there has been underinvestment in this area and because allocation to recurrent programs could not be sustained into the future.[27] NCOSS provided, as a part of its submission, a list of non-recurrent priorities that the NSW HACC Issues Forum previously developed for any accumulated funding.[28]

[23] Sutherland Shire Community Care Network, submission No 15, p 2
[24] DADHC, submission No 20, p 5
[25] Gosford City Council, submission No 9, p 1
[26] Northside Community Forum, submission No 16, p 2
[27] Alzheimer's Australia NSW, submission No 4, p 1
[28] NCOSS, submission No 11, p 14

2.21 DADHC has recognised the restrictions in planning which do not currently allow it to reallocate funds, and has indicated this is one of the areas to be streamlined in the new HACC agreement between the Commonwealth an the States.[29]

FUNDING ACQUITTAL PROCESSES

2.22 The complexity and poor administration of DADHC's current funding acquittal processes was criticised by several stakeholders. Mr Paul Sadler, CEO, ACS, told the Committee that many members of his organisation complained of being three to four years behind in resolving acquittals:

> ... not because the service providers have not put them in, but because this is how long it seems to take the State department to get around to processing them.[30]

2.23 Ms Pauline Armour, also from ACS, said that because of the late arrival of funding her organisation had the experience of trying to acquit three different sets of funds relating to the HACC program. She added that the HACC acquittals were complex, and unable to be completed electronically.[31]

2.24 The Inner South-West Community Development Organisation commented that delays in processing acquittals further add to delays in services reaching clients.[32] NCOSS noted that unexpected delays had caused 'clashes in obligations on providers' who were often trying to address planning, funding applications, and financial reporting or acquittals simultaneously or out-of-sequence.[33]

2.25 However, in its submission, DADHC indicated that it has reduced the backlog for funding acquittals, shortening the time required to identify surpluses and deficits after the end of each financial year.[34]

2.26 DADHC also reported a keenness to simplify acquittals and invest in e-reporting.[35] In this regard, the Committee also noted NCOSS's comments that a move toward electronic acquittals would need to be non-mandatory and would need to be supported by the free provision of software; financial assistance with additional costs; DADHC training and phone support and improved access to broadband, particularly in rural areas.[36] The Committee supports this approach.

TIME INVESTED ON GROWTH FUNDING ISSUES

2.27 Many groups considered that DADHC and the Commonwealth Government had not addressed delays in growth funding effectively. The Central West Community Care Forum expressed concern that a perceived failure by respective governments to solve the delays had created a 'level of distrust' of the bureaucracy'. It observed:

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[29] Ms Carol Mills, DADHC, transcript of evidence, 22 September 2006, p 5
[30] Mr Paul Sadler, CEO, ACS, transcript of evidence, 25 September 2006, p 39
[31] Ms Pauline Armour, Director and Chair, Community Care Advisory Committee, ACS, transcript of evidence, 25 September 2006, p 45
[32] Inner South-West Community Development Organisation, submission No 13, p 2
[33] NCOSS, submission No 11, p 7
[34] DADHC, submission No 20, p 9
[35] Ms Carol Mills, DADHC, transcript of evidence, 22 September 2006, p 8
[36] NCOSS, response to questions on notice, 23 October 2006, p 2

> The inability to release funds has become a blame game between NSW and Australian Government that is not understood or now believed, by HACC clients and/or service providers who are desperately waiting for more funding to be made available.[37]

2.29 Sutherland Shire Community Care Network commented upon the time and emotion spent by service providers and service users on annual regional planning processes, only to be:

> continually frustrated by delays in sign-off of the HACC State Plan apparently caused by disagreement between the two levels of government and the fact that documents produced by the funding bodies during this process are so secret …[38]

2.30 In its submission, NCOSS notes that:

> tracking the approval of the HACC State Plan is not transparent so HACC providers have been unable to find where in the approval process the current Plan is up to.[39]

2.31 In addition, there is a growing level of frustration among service providers and consumers that the need for growth funds has been expressed and reiterated for many years. The issue of growth funding is related to that of unmet need, addressed below. The Eastern Sydney Area HACC Forum tendered HACC Planning documents from 2003 that indicate service needs requested in 2001 are still outstanding.[40]

2.32 Some service providers consider that DADHC does not regard local identification of needs as carrying the same importance as its own processes. HACC service providers say that needs identified through HACC service providers planning days are not regarded by the Department with the same weight as other data. Ms Barbara Kelly, Coordinator with The Junction Neighbourhood Centre, said that DADHC:

> do not place the same value on the need that services identify collectively at our planning day as they do on the value of other demographic data that may or may not highlight what the actual need is on the ground.[41]

2.33 In contrast, Ms Janet Milligan, Executive Director, Strategic Policy and Planning, DADHC ,told the Committee that the Department consults widely on local needs, considering service provision in this (HACC) program and other programs to determine how growth funding will be spent.[42]

2.34 DADHC had earlier expressed concern that there is too much emphasis placed upon growth funding:

> A disproportionate amount of effort is directed towards planning for growth projects which constitute a relatively small component of the total HACC Program budget in NSW (5% in 2005-06).[43]

2.35 However, the Committee considers that understanding the ongoing expressions of concern by service providers, and their willingness to help address the problem may

[37] Central West Community Care Forum Inc, submission No 2, p 2
[38] Sutherland Shire Community Care Network, submission No 15, p 1
[39] NCOSS, submission No 11, p 6
[40] Eastern Sydney HACC Development Project, *HACC Planning 2003 – Report of Review and Planning Forum*, p 6
[41] Ms Barbara Kelly, Coordinator, The Junction Neighbourhood Centre, transcript of evidence, 25 September 2006, p 30
[42] Ms Janet Milligan, DADHC, transcript of evidence, 22 September 2006, p 3
[43] DADHC, submission No 20, p 8

help to put into perspective why there exists a view within DADHC that there is a disproportionate focus by the sector on growth funding.

A THREE YEAR PLAN, AND BEYOND

2.36 Almost all stakeholders proposed that, instead of a State Annual Plan, there should be a Triennial HACC Plan. This was seen as important in order to provide for continuity of service, of staffing, to reduce administrative overheads and to overcome the cyclical problems described above where planning/funding and acquittals have all tended to clash when funding announcements are late. DADHC told the Committee that it had recognised the problems and had:

> worked hard with the Commonwealth Government to improve the process for 2006-07 in a sustained way under a new HACC agreement that will be initiated in 2007-08.[44]

2.37 DADHC also advised that a move to triennial funding under a new HACC Agreement would occur as part of the National Community Care Review, and that this approach was endorsed at a national meeting of Ministers in July 2006.[45]

2.38 On 25 October 2006, Ms Carol Mills advised the Committee that DADHC has already introduced, by mutual agreement with the Commonwealth, some of the processes impacting on late payment of funds, although she did not detail these and indicated that the full impact of changes is yet to be realised under the new HACC Agreement. She also noted that the Commonwealth and NSW had signed the State Annual Plan:

> … and 80% of the funding [is] already allocated this financial year. That is the best we have done in a long time and that is really due to these changes.[46]

2.39 The Committee was concerned that much of the evidence, including that presented by DADHC, indicated a strong emphasis within the HACC program of accounting for inputs and outputs. For example, in response to a question about the intent of the Commonwealth/State reform process, Ms Milligan said:

> Certainly one of the intents of having a three-year plan is so service providers who are involved can anticipate new money in the program and perhaps position themselves to go for some of that money.[47]

2.40 The Committee was concerned because continual references to 'chasing the available dollars' as a centrepiece of the planning and funding process diverts attention from the needs of consumers, which ought to be central to HACC program objectives. The Committee noted that DADHC had also expressed concern in its submission about undue emphasis on growth funding, and had noted the net effect that:

> … emphasis on service expansion at the expense of maintaining existing services has meant that cost indexation has been set at a low rate for a number of years, jeopardising the viability of the base level of services in the HACC Program in NSW.[48]

[44] Ms Carol Mills, DADHC, transcript of evidence, 22 September 2006, p 2
[45] DADHC, submission No 20, p 4
[46] Ms Carol Mills, DADHC, transcript of evidence, 25 October 2006, p 12
[47] Ms Janet Milligan, DADHC, transcript of evidence, 22 September 2006, p 7
[48] DADHC, submission No 20, p 8

HACC WITHIN THE POLICY ENVIRONMENT

2.41 Some service providers described HACC as existing in a 'community care continuum.' This continuum progresses from services supporting individuals with relatively low levels of need in their homes, through to higher support needs bundled in an Aged Care Package, then to Extended Aged Care in the Home (EACH) and ultimately to residential care.[49] The term was also used by the NSW Auditor-General in the 2004 Performance Audit report on HCS to describe the assessment of an individual's needs to determine whether they have changed over time and whether they may be better met in a different care setting.[50] In *The Way Forward*, the Commonwealth Department of Health and Ageing refers to three tiers of programs in a model of service provision, addressing Early Intervention and Information, Basic Care and Packaged Care. The Commonwealth Government also noted the need to better align programs across the three tiers, while developing aspecific response within the Packaged Care tier for people who are intensive users of HACC services.[51]

2.42 However, the Committee heard that, although there may be an intent for a community care continuum, 'it does not work that way', with service providers 'ring[ing] around to every single service you can think of until you can find someone that has a few hours of service.[52]

2.43 Service providers from the Eastern Sydney HACC Forum also expressed concern that many of its services are dealing with clients with high and complex levels when it is considered that they should be further advanced along the community care continuum. They observed that this causes bottlenecks in HACC services, which should otherwise be available to accept more clients with lower level needs. That individuals are not further advanced is a problem attributed to the uncertainty that consumers currently in receipt of a service will be able to access a service elsewhere.[53] Service providers noted that there may be a significant time lapse before a consumer can make a transition to a new service type and they are reluctant to go onto a waiting list during the transition.[54]

2.44 However, in evidence to the Committee, Ms Janet Milligan commented that it was not appropriate to describe the care system as 'a straight continuum where people progress from one to the other'. She noted, for example, the similarities between higher service levels in the HACC program and lower levels of Community Aged Care Packages. Ms Milligan said that DADHC identified the situation where some consumers are accessing programs that are 'substitutable' (ie providing similar levels of care). However, she also stressed that individuals do have a choice to remain in their own homes, and that some do this beyond the point at which they can be well supported. She said that DADHC remains committed to working on this issue.[55]

[49] Ms Jackie Campisi, Eastern Sydney HACC Forum, transcript of evidence, 25 September 2006, p 33
[50] NSW Audit Office Performance Audit Report, *Home Care Service: Department of Ageing, Disability and Home Care,* October 2004, p 14
[51] Commonwealth of Australia, *A New Strategy for Community Care – The Way Forward,* 2004, p 25
[52] Ms Jackie Campisi, Eastern Sydney HACC Forum, transcript of evidence, 25 September 2006, p 33
[53] Ms Chris Bath, Eastern Sydney HACC Forum, transcript of evidence, 25 September 2006, p 34
[54] Ms Jackie Campisi, Eastern Sydney HACC Forum, transcript of evidence, 25 September 2006, p 34
[55] Ms Janet Milligan, DADHC, transcript of evidence, 25 October 2006, pp 4,5

2.45 Ms Jackie Campisi Community Worker, Older People and Access, Waverley Council, described the challenge for HACC workers seeking to assist a person to make a transition to another service:

> It is not just about an exit policy. You are dealing with human beings who make connections with other human beings in their local community. It is very difficult for us to say, "Okay, now it is time for us to stop servicing you and you have got to go to this other service provider". "Well, I do not know that person". They do not even know if it is going to be a good service. That will be another thing that will make people hang onto things when perhaps it might be time for them to go.[56]

2.46 Service providers and consumers also felt that a lack of effective coordination and consultation between the Commonwealth Government as providers of community care packages, the State Government, local government and HACC service providers hampers eligible people in accessing appropriate and seamless service support. Ms Jackie Campisi told the Committee that 'there is no place we can talk to the Commonwealth at this point.'[57] The Committee noted that, as early as 1999, the HACC Issues Forum paper commented:

> Increasingly, the provision of Community Care resembles a maze… Any changes and extensions to Community Care must improve services to clients. The confusion resulting from the different programs of Community Care serves to create barriers to both adequate and responsive support to clients and co-operation between service providers. This confusion could have been avoided at the outset if Commonwealth and State government funding agencies had co-ordinated the implementation of the various programs, as was originally intended by the HACC Act.[58]

Community Care Reforms

2.47 DADHC noted that it is 'working collaboratively with the Commonwealth Government and other States and Territories on the proposed [community care] reforms.'[59] DADHC is also developing a service planning framework which will integrate service development and growth across HACC and Commonwealth State/Territory Disability Agreements. Further, it indicated that it is seeking efficiencies in the HACC service system, one of which includes joint agency agreement between DADHC, NSW Health and the Ministry of Transport. Roles and responsibilities of each party to the agreement are:

- The development of the annual HACC State Plan including processes for consultation and priority setting for the allocation of funds;
- The reconciliation and acquittal of Program funds;
- A consistent approach to the allocation of funds from Treasury;
- The collection, evaluation use and further development of the Program's Minimum Data Set; and
- Evaluation and development of service type descriptions.[60]

[56] Ms Jackie Campisi, Eastern Sydney HACC Forum, transcript of evidence, 25 September 2006, p 35
[57] *ibid*, p 33
[58] NSW HACC Issues Forum, *CACP/HACC Interface Issues Paper*, June 1999, pp 1,2
[59] DADHC, submission No 20, p 11
[60] *ibid,* p 11

2.48 NCOSS informed the Committee that the current focus upon Community Care Reforms is welcomed:

> NCOSS supports the Reform objectives to streamline the diverse and complicated Community Care system into a more coherent and navigable service network to support older people, people with disabilities and carers at home.
>
> Many of the Reforms are long overdue, ie clarifying program boundaries, simplifying access, standardising assessment and creating better coordination between programs.[61]

2.49 However, the Committee heard that there was a lack of consultation with the sector on the Commonwealth's Community Care Reforms. NCOSS said it has contributed to the Community Care Reforms at every opportunity since they were first proposed in 2003. NCOSS also stated that the HACC sector has not been engaged by either the Commonwealth or State Governments in the Community Care Reforms to an equal extent as other community care programs. NCOSS's concern is that the joint nature of the program has contributed to the exclusion of the sector from effective consultation:

> HACC is the largest and most far-reaching of the Community Care programs but it is the only one operating as a joint federal and state program. This seems to be a barrier to more inclusive participation …[62]

2.50 The Committee is concerned that failure to engage with the HACC sector is a lost opportunity to tap into the wisdom of HACC service providers and consumers to inform the Community Care Reforms as to what could work best at a practical level to achieve the Reform objectives.

ENTRY POINTS TO THE HACC PROGRAM

2.51 The Commonwealth Government's strategy for community care describes the need to work with State and Territory Governments to identify entry points to the HACC program that can be easily accessed by consumers, while extolling the value of a single 1800 number to provide access and eligibility advice. The document also discusses 'current access pathways' for people in rural and isolated communities, such as a local health agency - a hospital or general practitioner. The Commonwealth strategy noted, however, that submissions had supported the need for multiple entry points for basic care services.[63] The Committee also heard the latter view expressed during this inquiry, along with concern that the Commonwealth Community Care Reforms should not lead to a single entry point for HACC services.

2.52 NCOSS noted that HACC has very successfully operated as a program with multiple entry points which can be coordinated to provide 'the best mix of available services to meet the individual's needs.'[64] It suggested that, however unwieldy multiple entry systems may appear to be, HACC is a system which has grown organically from a strong community base and the strength and diversity of this base should be nurtured. Further, NCOSS is concerned that any attempt to orchestrate a single entry system

[61] NCOSS, response to questions on notice, 23 October 2006, p 12
[62] *ibid,* p 12
[63] Department of Health and Ageing, *The Way Forward*, 2004, pp 4, 31
[64] NCOSS, response to questions on notice, 23 October 2006, p 13

could reduce access to services by people who are unable through their circumstances or unwilling to approach a single entry point.[65]

2.53 ACS also expressed concern about the mechanisms that governments may use to bring about community care reforms, in particular, if these are used to rationalise the number of HACC service providers in the HACC program, with short timeframes, confusing documentation and resulting in dislocation for clients and service staff. ACS observed that this was apparently the case in the first tranche of changes made by the Federal Government in *The Way Forward*, and in State Government programs like the Community Participation Programs in Disability Services.[66]

2.54 Still other service providers and consumers spoke openly about the HACC program being in 'crisis'.[67] Responding to a question about how people with a relatively low level of need or a short-term need might access a HACC service, Ms Barbara Kelly, Eastern Sydney HACC Forum, described the nature of the crisis as follows:

> I think the issue for us is that we are completely captured by people with complex care needs, and the service that I work for, I cannot think when we last took a person directly as a hospital referral for a short-term service. I literally cannot think of that. We are completely consumed with people at the high end of need dependency and we certainly have no capacity to take on people who just need a short-term service. The only exit strategy we have is when people die and they free up a space.[68]

2.55 Hearing this concerns the Committee greatly, because the HACC program was designed as the essential foundation of the community care system. This ensures that the frail aged, people with a disability and their carers can remain at home for as long as possible. Should this foundation be shaken, there could be far-reaching implications for community care and health systems, as indicated by several stakeholders.

2.56 However, Ms Carol Mills, Deputy Director-General, DADHC, told the Committee that:

> In terms of our data, the vast majority of HACC clients, particularly those receiving core domestic assistance, meals and personal care, continue to receive very low levels of support… In terms of access to services, it is also true that in a large part of the HACC system there is quite a high turnover rate and where the turnover rate is greatest tends to be with the people who have higher levels of support needs.[69]

2.57 The Committee also heard that relevant State Government programs need to be included in the discussion about improved coordination.[70]

2.58 NCOSS expressed concern that:

> Without prior negotiation and agreement, there are fears that State initiatives could be lost or extensive expenditure wasted when Commonwealth reforms are implemented in

[65] NCOSS, response to questions on notice, 23 October 2006, p 13
[66] Mr Paul Sadler, CEO, ACS, transcript of evidence, 25 September 2006, p 39
[67] Ms Sharon Blunt, Coordinator, Randwick/Waverley Community Transport, transcript of evidence, 25 September 2006, p 32; Local Government and Shires Associations, submission No 19, p 5
[68] Ms Barbara Kelly, Eastern Sydney HACC Forum, transcript of evidence, 25 September 2006, p 35
[69] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 25 October 2006, p 2
[70] Ms Jackie Campisi, Community Worker, Waverley Council, transcript of evidence, pp 32, 33; Ms Pauline Armour, transcript of evidence, 25 September 2006, p 45; Eastern Sydney Home and Community Care Forum, submission No 17, p 2; Local Government and Shires Associations, submission No 19, p 3

> HACC eg Integrated Monitoring Framework by State Government, Software for MDS has been negotiated between State and Commonwealth but the new assessment tool and process has not been connecting with this initiative, the development of Transpacks which could duplicate the very successful NSW hospital discharge initiative labelled ComPacks.[71]

CONSIDERATION OF HACC 'TARGET' GROUPS

2.59 The Committee also heard concerns that the Commonwealth's Community Care Reforms are focussing largely upon community aged care to the detriment of other HACC 'target' groups, namely people with disabilities and carers. The Eastern Sydney HACC Forum expressed concern that 'the needs of people with a disability are not adequately being considered in the development of strategies to streamline assessment services.'[72] NCOSS noted that:

> This apparent lack of consideration and regard for the needs and impact upon people with disability under the Community Care Reforms is especially critical in light of the increased emphasis within the NSW *Stronger Together* Disability Plan of supporting people with disabilities to remain with their families in the family home. There are grave concerns that the Disability Plan is depending on assumptions about the capacity of HACC and other Community Care programs rather than negotiating increased service provision.[73]

2.60 Only 1.7% of HACC clients in NSW are carers but 12.6% of clients in the ACT are carers. Carers NSW views this as under-representation of carers. They argue that both the State and Commonwealth Governments must improve upon this, given that carers are regarded as a HACC target group.[74] Ms Emily Johnson, Policy Officer, Carers NSW, also told the Committee that carers are largely excluded from the HACC planning process, particularly at the local level, and that this a problem.[75] The Cancer Council of NSW also called for greater recognition of carers as a target group of HACC-funded programs.[76]

2.61 These concerns raise the issue of whether there should be percentage targets within the HACC program to respond to the expectation that the needs of respective groups will be addressed.

THE QUANTUM AND NATURE OF UNMET NEED

2.62 Several submissions to the inquiry identified significant unmet need for people seeking to access services across the HACC program but there is currently no agreement at Government level about how to quantify this.[77] According to the Australian Institute of Health and Welfare, 'unmet need occurs when a person receives insufficient or no assistance with activities when help is required.'[78] The Committee

[71] NCOSS, response to questions on notice, 23 October 2006, p 12
[72] Eastern Sydney HACC Forum, submission No 17, p 4
[73] NCOSS, response to questions on notice, 23 October 2006, p 12
[74] Carers NSW, submission No 12, p 2
[75] Ms Emily Johnson, Policy Officer, Carers NSW, transcript of evidence, 25 September 2006, p 50
[76] The Cancer Council of NSW, submission No 15, p 5
[77] Wakool Shire Council, submission No 1, p 1; submission No 5; ACS, submission No 7, p 5; Macarthur Disability Services, submission No 10, p 1; NCOSS, submission No 11, p 13 and response to questions on notice, 23 October 2006, p 14; The Cancer Council of NSW, submission No 14, p 3
[78] Australian Institute of Health and Welfare, *Australia's Welfare 2005,* p 158

notes that, while there are also issues raised about unmet need specific to Home Care Services of NSW, these are addressed in Chapter Four. Others commented in general about HACC program under-funding. For example, Mr Paul Sadler, CEO, ACS, told the Committee:

> There is also evidence that New South Wales has been under supplied in the Home and Community Care Program for some time. The statistics released, for example, by the Productivity Commission on an annual basis indicate that New South Wales is at the bottom end of the national ladder in terms of expenditure in the area of Home and Community Care.[79]

2.63 In its submission, NCOSS outlined a number of features characterising HACC provision in NSW:

- NSW has almost exactly 33% of Australia's population but reports only 25% of Australia's HACC clients, while Victoria has approximately 25% of the entire population but reports 29.5% of the national total of HACC clients
- NSW has 35% of Australian's aged 70 or more years, including 35% of 70+ years people from non-English speaking backgrounds and over 30% of Aboriginal and Torres Strait Islander people aged 50+ years. By comparison, Victoria has 24.7% of the total Australian population aged 70+ years
- NSW, at $690 in 2004-05, reported lower than national average ($707) government expenditure on HACC services per HACC target population, dramatically lower than Victoria ($794)
- NSW reports the lowest proportion (9.7%) of people aged less than 50 years using HACC services. These would generally be people with non-aged related disabilities and a very small number of carers. The national average is 12.2% and Victoria reports 13.7%.[80]

2.64 The statistics quoted by NCOSS are drawn from the Productivity Commission's *Report on Government Services 2006.* The Commission uses a number of sources to compile its data, including the HACC Minimum Data Set (MDS). The Commission noted that, in 2003, some 35.2% of people aged 65 years of age or over needing assistance with at least one everyday activity in NSW reported partial or total unmet need.[81]

2.65 NCOSS comments that, in recent years, MDS returns from NSW have been 'unacceptably low' (for example, in 2005, NSW returned 73% against the national average of 82%). This is attributed to under-reporting by allied health providers, centre-based day care, home maintenance, nursing and domestic assistance as well as counselling, support, advocacy and information services, some of whom are not required to return MDS reports.[82]

2.66 The Committee notes that data is collected from a range of sources, but primarily the MDS, to:

- describe what the Program is doing;
- describe who uses the Program;

[79] Mr Paul Sadler, transcript of evidence, 25 September 2006, p 38
[80] NCOSS, submission No 11, p 1
[81] Productivity Commission, *Report on Government Services,* 2006, 12.34, 12.35
[82] NCOSS, submission No 11, p 1

- evaluate the effectiveness of the services against the objectives of the Program;
- plan for future service provision;
- support development of policy objectives for the future; and
- support decisions on strategic directions for the care of the frail aged, people with disabilities and their carers.[83]

2.67 Despite the existence of the MDS, and waiting lists maintained by some service providers, there does not appear to be any current agreed method of measuring unmet need for the HACC program.

2.68 NCOSS notes an alternate explanation for the low rates of MDS returns in NSW:

> Another explanation would be that the rate of service provision in these areas is considerably lower than the national average.[84]

2.69 Reporting on the broader population, the AIHW noted that, in 2003, among all people aged 60 years or over living in households where they needed some assistance, 29.7% had their needs partly met and 5.7% reported that none of their needs were met, even partly. The AIHW suggested that, should the provision of care by formal or informal care providers change in coming years, the level of unmet need would also change. The Institute commented:

> Analysis of the likely availability of primary carers over the next few years indicates that, on the basis of demographic changes alone, the ratio of primary carers to persons with a severe or profound core activity limitation is expected to fall – by an estimated 7% between 1988 and 2013 … despite a projected 27% increase in the absolute number of primary carers.[85]

2.70 Ms Janet Milligan, DADHC, suggested to the Committee that caution needed to be exercised in considering these figures on total unmet need, because not all of the target population who require some sort of assistance need to obtain it from the HACC program:

> I think it is not necessarily a clean jump then to say that that is unmet need for the HACC program.[86]

2.71 However, these various independent reports suggest to the Committee a need for a far better understanding of the incidence of unmet need within the HACC program. Some stakeholders related unmet need to the increasing ageing population and indicated how this might be expected to impact upon their particular communities. Wakool Shire Council, for example, said that the Shire:

> … consists of several small towns/townships above the state average 26%. There is a lack of any public transport and the towns are situated many kilometres apart.[87]

2.72 ACS indicated that the duration of assistance needed by younger people with disabilities and an increasing demand for community care services were also factors

[83] Commonwealth of Australia, *National HACC Program Guidelines,* 2002, p 16
[84] NCOSS, submission No 11, p 1
[85] Australian Institute of Health and Welfare, *Australia's Welfare 2005*, p 158
[86] Ms Janet Milligan, DADHC, transcript of evidence, 22 September 2006, p 13
[87] Wakool Shire Council, submission No 1, p 1

that should be considered in relation to growth for the future planning of the HACC program.[88]

2.73 The human face of the extent of unmet need for people with disabilities was described by Sutherland Shire Community Care Network:

> … we cannot even meet a client's most basic needs for hygiene and dignity within current resources, for instance, by providing assistance with daily showering (a HACC client is lucky to get assisted showering three times a week!)[89]

2.74 Some service providers and consumers told the Committee that an increase of at least 20% is necessary to address unmet need for HACC services.[90] NCOSS indicated that this amount was recommended each year because it was the maximum allowable under the HACC Act.[91] The Committee understands this to be the case.[92] Carers NSW recommended an increase of 30% to ongoing HACC funding to address identified needs.[93]

2.75 NCOSS told the Committee that knowledge of the extent of unmet need is widespread but not specific:

> It is commonly accepted, however, that the HACC program at present meets only about 50% of the known need in NSW. If the funding were doubled, then it could be expected that there would be sufficient resources to address presently known demand.[94]

2.76 NCOSS also calculated the length of time to would take to double total HACC funding – four years at a funding increase of 20% per annum, or two years if the rate (as suggested above) was 30%.[95]

2.77 On the other hand, Ms Carol Mills, DADHC, told the Committee that the Department was unsure about where the figure of 20% originates, but that it is 'best treated as an ambit claim.'[96] Ms Mills added:

> I think the key thing for us in all government organisations and government services is that the amount of need would always grow no matter what resources are available and with all government services we have a prioritisation system and we believe that works effectively. I could not comment specifically on whether that 20% would mean x more services or whether all requirements would be met.[97]

2.78 NCOSS further suggested that a critical factor in addressing unmet need would be the development of a benchmark within HACC for 'acceptable levels of service provision in response to statistical information and local characteristics.' It noted that such a benchmark does not currently exist. However, it believes that this tool could be developed from statistical information such as DADHC's Actuarial Study and a

[88] ACS, submission No 7, p 5
[89] Sutherland Shire Community Care Network, submission No 15, p 6
[90] ACS, submission No 7, p 5; NCOSS, submission No 11, p 13; The Cancer Council of NSW, submission No 14, p 4; Local Government and Shires Associations, submission No 19, p 8
[91] NCOSS, submission No 11, p 13
[92] *Home and Community Care Act 1985,* Schedule, clause 18
[93] Carers NSW, submission No 12, p 12
[94] NCOSS, response to questions on notice, 23 October 2006, p 14
[95] *ibid,* p 14
[96] Ms Carol Mills, DADHC, transcript of evidence, 25 October 2006, p 1
[97] *ibid,* p 1

forthcoming report commissioned by the National Community Care Coalition on service levels and gaps, together with waiting lists kept by many service providers.[98]

2.79 The Committee is concerned, however, that apart from the Department's prioritisation system, there does not appear to be any measure of the extent of unmet need for the HACC program. This has potentially far-reaching effects for consumers as well as for those charged with the responsibility to ensure that the needs of vulnerable people in our community can be met, now and in the future. Suggested strategies for addressing the situation are outlined in Chapter Three.

ADMINISTRATION SHORTFALLS

2.80 The HACC program is a jointly funded and administered by the Commonwealth and States. In its submission, DADHC indicated that the National HACC Program Management Manual is intended to be a comprehensive guide the administration of the program by Governments. However, the Manual offers little clear guidance for the resolution of disagreements relating to the joint administration process involving the Commonwealth and State Governments. DADHC says that this 'has not facilitated timely approval of planned expenditure and the discharge of grants.'[99] The Committee notes that the HACC Program Management Manual is being revised as part of the new HACC Agreement.

2.81 A proportion of HACC program funds are attributed to DADHC for administering the program. Some of the funds for each project are expected to cover service providers' administrative costs. Both DADHC and service providers indicated to the inquiry that the level of funding for administration of projects delivered under the program is inadequate.

2.82 DADHC pointed out that its administration funding was inadequate to begin with, but that this has subsequently dropped to 0.79% of the total program (or $3.527m). DADHC stated:

> This is insufficient to meet the administrative requirements of the program in NSW and to undertake broader reforms to better support the delivery of HACC services to an increasing target population.[100]

2.83 DADHC also pointed out that there is considerable inconsistency in administrative funding levels across jurisdictions. The Committee noted DADHC's advice that the NSW Government is working with other jurisdictions to review the level of administration funding as part of the forthcoming HACC Agreement.[101]

2.84 DADHC also informed the Committee that it spends 'the equivalent of 2.44% of the budget' on administration, noting that the gap of $7.3m is topped up by the State Government, across the three agencies that administer HACC.[102]

2.85 DADHC said that non-government organisations do not have the same level or quota of funds permissible to be spent on administration set upon them. Ms Mills noted that,

[98] NCOSS, response to questions on notice, 23 October 2006, pp 5, 14
[99] DADHC submission No 20, p 8
[100] *ibid*, p 7
[101] *ibid,* p 7
[102] Ms Carol Mills, DADHC, transcript of evidence, 25 October 2006, p 2

although there is a standardised approach by which data is collected, the Minimum Data Set (MDS), there is no higher proportion of 'effort taking' from service delivery than in any other area.[103]

2.86 Several HACC service providers expressed the view that their administration requirements were unduly onerous and they undesirably affect service provision. Macarthur Disability Services indicated that the use of administration hours for monitoring and intake is not recognised in funding agreements.[104] Northside Community Forum sought acknowledgement of the resources required to develop submissions, submit statistical returns and contribute to the DADHC planning process.[105] Sutherland Shire Community Care Network noted that service providers had received a recent 1.2% one-off payment, and commented that while these are helpful:

> … services continue to struggle with growing recurrent costs associated with administrative and legal accountabilities.[106]

2.87 HACC service providers also expressed concern that while the State Government had contributed funding for increases legally granted to HACC workers under the Social and Community Services (SACS) Award, funding for those increases has not been matched by the Commonwealth Government.[107]

2.88 ACS advised that wage and other cost increases (including insurance and petrol) exceed the increases received from annual indexation, with the net result being 'a slow erosion of service levels.'[108]

[103] Ms Carol Mills, DADHC, transcript of evidence, 25 October 2006, p 2
[104] Macarthur Disability Services, submission No 10, p 2
[105] Northside Community Forum, submission No 16, p 3
[106] Sutherland Shire Community Care Network, submission No 15, p 2
[107] ACS, submission No 7, p 5; Macarthur Disability Services, submission No 10, p 3; Northside Community Forum, submission No 16, p 4; NSW Meals on Wheels Association, p 1; Ms Christine Regan, Senior Policy Officer, NCOSS, transcript of evidence, 22 September 2006, pp 23, 24; Ms Melinda Paterson, HACC Development Officer, Sutherland Shire Community Care Network, transcript of evidence, 25 September 2006, p 18
[108] ACS, submission No 7, p 5

2.89 Several service providers observed that, as service needs increase in complexity, there is an accompanying need for skilled staff to address those needs. However, they identified both an inability to fund adequate training for HACC services and an inability to recruit sufficiently trained staff and volunteers within existing resources.[109] NCOSS noted that, because of the generally better training available to Government employees, it had, over the years, requested access to Government training for the non-government sector. However, although the requests have been accepted, the training has rarely eventuated.[110] Some stakeholders, including the HACC Issues Forum, Inner South-West Community Development Organisation and ACS, have indicated the need for a sector-wide workforce plan to address what they identified as critical shortages for the HACC services sector.

[109] Macarthur Disability Services, submission No 10. p 3; ACS, submission No 7, p 5; Ms Barbara Kelly and Ms Sharon Blunt, Eastern Sydney HACC Forum, transcript of evidence, 25 September 2006, pp 35, 36
[110] NCOSS, submission No 11, p 3

Chapter Three – Potential Solutions

3.1 This Chapter outlines the Committee's views on the best ways to deal with issues identified in Chapter Two. As well as solutions identified in submissions, it includes further proposals to enable smoother joint arrangements and a more effective and efficient HACC planning process in the future.

TRIENNIAL PLAN AND FUNDING

3.2 The Committee welcomes DADHC's advice concerning joint NSW and Commonwealth Government actions on improving the State Annual Plan and acknowledges the effort by the Department in taking these actions toward needed change, both to streamline approval of the State Annual Plan and to expedite the release of needed funds. These changes will be critical, because the cumbersome nature of the annual planning process as described above is clearly counter-productive in so many ways. The Committee is also pleased to note that the move toward triennial funding for the HACC program has been agreed by all Ministers, reflecting the weight of evidence on the need for just such a change presented to the inquiry. The Committee believes that the move will provide stakeholders with far greater planning certainty and will remove administrative inefficiencies which will, in turn, result in better services for consumers.

3.3 The Committee is concerned, however, that, although DADHC has indicated the new HACC Agreement will be finalised by the end of 2006, new arrangements may not be implemented 'in whole' until the 2008-11 triennium. This is an unacceptable delay. It notes that DADHC informed the Committee that some changes, introduced by mutual agreement with the Commonwealth, have already been introduced by DADHC.[1] It urges implementation of the following recommended changes as soon as is practicable

RECOMMENDATION 1: While the Committee is pleased to acknowledge the significant efforts of the NSW and Commonwealth Governments in expediting approval of the State Annual Plan for HACC, and welcomes the move toward a triennial planning and funding cycle under a new HACC agreement, it recommends that both parties retain a strong focus upon implementation of the Triennial HACC Plan as a matter of urgency to provide stakeholders with assurance and the community at large with confidence in a well-managed program that will meet its needs in the future.

A MORE RESPONSIVE HACC PROGRAM

3.4 The Commonwealth Minister with responsibility for HACC indicated that he had no outstanding issues regarding the funding and administration of the HACC program, and that he was:

> pleased with the progress that has been made and do not consider that there are significant outstanding issues in relation to either New South Wales's administrative

[1] Ms Carol Mills, DADHC, transcript of evidence, 25 October 2006, p 12

management of the HACC program or national arrangements for disbursement of funds that require further consideration by the committee at this time.[2]

3.5 However, the Committee identified other important reforms which could specifically enhance the efficiency and effectiveness of joint NSW and Commonwealth Government arrangements for HACC and for the overall directions and intent of the HACC program. These are outlined below.

3.6 The Committee believes that adopting a stronger focus on program outcomes and consequently reducing the emphasis upon inputs and outputs will help to achieve both a consumer focus for the program and the greater degree of flexibility in the allocation of funding envisaged by the NSW Government.

RECOMMENDATION 2: That

(a) in the process of responding to the Commonwealth Community Care Reforms and renegotiating the new HACC Agreement, the NSW Government work together with the Commonwealth Government and in consultation and partnership with HACC service providers and consumers to shift the focus for the HACC program from that of inputs and outputs to one of articulated outcomes for consumers; and

(b) that the HACC program be structured with appropriate benchmarks, measures of progress and improved flexibility for the allocation of funding to achieve these outcomes.

3.7 The Committee was also concerned at the evidence presented in Chapter Two, indicating that the funding formula for HACC is flawed and, as a result, NSW is almost certainly missing out on a share of growth funds in 2005 to provide needed services through the HACC program for people with disabilities.

3.8 The Committee acknowledges that DADHC and the Commonwealth have been working to address problems relating to the failure of the HACC funding formula for NSW, and that additional data will flow from the 2006 Census. However, this will not be available for some time and the Committee believes that a solution needs to be found sooner. The Committee also believes that once the extent of the 2005 'statistical anomaly' is known, financial compensation needs to be provided to redress the balance of services denied to the HACC target population to date.

RECOMMENDATION 3: That the NSW Government continue to work together with the Commonwealth to develop a more robust and reliable methodology for estimating the HACC target population, including projections of growth. This should be applied expeditiously.

RECOMMENDATION 4: That the NSW Government seek financial compensation from the Commonwealth Government to address the HACC funding shortfall generated as a result of the 2005 statistical anomaly.

3.9 The Committee was perturbed at the evidence it had received, indicating that significant delays in the announcement of growth funding had impacted adversely upon service delivery. While movement toward a triennial planning and funding cycle should result in an overall efficiency improvement, this is by no means assured unless the NSW Government and the Commonwealth Government can reach agreement on

[2] Senator the Hon Santo Santoro, Minister for Ageing, correspondence to Ms Noreen Hay MP, Chair, Public Accounts Committee, 2 November 2006, p 2

processes for the joint administration of the HACC program, including targeted timeframes, streamlined funding announcements and early publication of the HACC Triennial Plan. The Committee notes that the HACC Program Management Manual is currently being revised as part of the new HACC Agreement. However, it believes that articulation and agreement of processes for joint administration, including targeted timeframes, would help to overcome any future disputation and hence delay of plans, including the discharge of grants. This would not only add to the program's efficiency and help to inform planning for future triennial cycles, but may help to generate trust between stakeholders and governments in respect to the program's administration.

3.10 The Committee also noted DADHC's intent that, under new arrangements being negotiated with the Commonwealth Government, HACC growth funding will be provided according to an articulated list and, where queries arise, funding for these projects or providers only be held back by exception until issues around the project or provider are clarified.[3] This sensible approach is to be commended.

RECOMMENDATION 5: That the NSW Government propose to the Commonwealth Government that processes for joint administration of the HACC program be articulated and agreed, including targeted timeframes for the approval and public reporting through the announcement of HACC plans and the subsequent discharge of grants.

3.11 With proposals by DADHC to streamline funding allocations, both currently and under the new HACC Agreement, the Committee hopes that the matter of unplanned funding accumulations will be a problem of the past for service providers and for DADHC. The proposals in question would certainly help to improve administrative efficiency. The Committee was also concerned to note that the occasions where disbursements had been made although earlier identified needs had changed, suggesting that program administration had not kept pace with conditions at the local scale.

3.12 However, realising that there will be future instances of unspent HACC funds, the Committee is pleased that several stakeholders had suggested methods for the allocation of these, including a priority project list developed by the HACC Issues Forum for this purpose and a proposal by Alzheimer's Australia (NSW) for unspent allocations to be made to the HACC Capital Program. The Committee commends these proposals to DADHC and the Commonwealth for consideration.

RECOMMENDATION 6: That the NSW and Commonwealth Governments, in consultation and partnership with stakeholders, discuss and agree a method for disbursing unspent HACC funds in order that these can be efficiently and appropriately applied to identify and address consumer needs.

IMPROVING ADMINISTRATIVE EFFICIENCY WITHIN NSW

3.13 The Committee believes that an improvement in DADHC's current funding acquittal processes is both necessary and desirable. While it notes DADHC's comment that the backlog of acquittals has been reduced recently, it is concerned that any backlog at all can impinge upon the efficient operation of the program. It can also send a mixed message to service providers required to adhere to administrative obligations while program administrators are less efficient.

[3] Ms Carol Mills, DADHC, transcript of evidence, 22 September 2006, p 4

3.14 The Committee notes the apparent willingness of many service providers to move toward electronic lodgement of acquittals of HACC program funds as an expedient method of lodgement. It is also sensitive to the view that electronic lodgement of acquittals should be treated by DAHDC as optional, rather than a mandatory obligation. However, DADHC is best placed to offer support and encouragement to service providers wishing to take up such an option through software packages, training and phone support. The Committee believes that, with efficiency gains, much of this capacity to offer support and encouragement should be currently available within existing Departmental resources. NCOSS suggested that consideration be given in any broader plan by DADHC to the introduction of electronic lodgement of acquittals of HACC funding more generally. In this situation, DADHC could further consider offset gains or low-interest loans which could enable the installation of systems for e-reporting where it is determined that the service provider cannot afford set-up costs, but would gain a long-term asset.

3.15 The Committee also welcomes DADHC's comment that it is keen to invest in e-reporting and encourages this move, in the light of the above comments.

RECOMMENDATION 7: That the Department of Disability, Ageing and Home Care:

(a) proceed with investment in the electronic lodgement of funding acquittals for HACC program funds, encouraging voluntary lodgement by service providers and offering support and encouragement for the option, with offers of software packages, training and telephone support to service providers; and

(b) investigate ways of providing additional support for electronic lodgement of acquittals to service providers wishing to lodge acquittals electronically but not currently having the systems capacity to do so.

IMPROVING STAKEHOLDER COMMUNICATIONS AND INVOLVEMENT

3.16 The Committee is concerned to note the apparent frustration among some service providers and consumers concerning allegedly poor communications with HACC program administrators, both in relation to funding delays but also in relation to the manner in which dialogue is conducted about identifying and addressing consumers' needs. The Committee believes that service providers and consumers have valuable sources of knowledge and skills that should be appropriately incorporated into program implementation through effective dialogue. The Committee notes DADHC's assertion that it consults widely on local needs. However, the Committee believes that there may be opportunities for HACC program administrators to more closely attend to the issues raised by service providers and consumers about the need for improved communications with them, and adjust processes accordingly.

3.17 The Committee also believes that dialogue, a more mature expression of the desired relationship than 'consultation', can occur at a number of levels in the planning process.

RECOMMENDATION 8: That the NSW Government develop more effective processes and structures for dialogue, including information-sharing, problem-solving and, where appropriate, decision-making, between HACC program administrators and representatives of service providers and consumers in the non-government sector, in consultation and partnership with them, for continuous improvement of the HACC program.

3.18 The Committee is concerned that non-government sector stakeholders have also expressed concern about apparently being denied an optimum level of engagement with the Commonwealth and State Governments regarding the Commonwealth's Community Care Reforms. From the evidence presented throughout this inquiry, the Committee believes that service providers and consumers have indicated a willingness and capacity to contribute constructively to the reforms. In one instance, as mentioned in Chapter Two, a stakeholder has even defended State Government initiatives that may be threatened if reforms are pursued unilaterally by the Commonwealth Government.

3.19 The Committee was also encouraged to note that service providers and consumers welcomed better alignment of the HACC program with other Commonwealth and community care programs which, it understands, is the intent of the Commonwealth's Community Care Reform process. Improved alignment of respective programs should help to provide better continuity of care for consumers and ensure that programs are not in competition with each other, or worse, exposing gaps in provision of care.

RECOMMENDATION 9: That the NSW Government encourage the Commonwealth Government to engage more effectively with non-government stakeholders in consultations about the Community Care Reform process, seeking their input and advice about proposals as a matter of priority to ensure that flexible and locally appropriate solutions can be incorporated.

RECOMMENDATION 10: That the NSW Government encourage the Commonwealth Government to ensure that, in the process of acting upon Community Care Reforms, the HACC program retains its capacity for multiple entry points, appropriately coordinated to extend service access and encourage diversity of service choice.

EQUITABLE INCLUSION OF HACC TARGET GROUPS

3.20 The Committee is concerned at the apparent imbalance of focus in the HACC program which has resulted in, at the very least, statistical under-representation by carers as one of the HACC target populations. It is also concerned at the inference in a number of submissions that, because of an increasing ageing population, resources may be skewed toward the frail aged as a HACC target group at the expense of others. It would appear to the Committee that to ensure appropriate inclusion of all HACC target groups within the program, this cannot be achieved by withdrawing services currently offered to one particular group and, therefore, program resources may need to be expanded for this purpose.

RECOMMENDATION 11: That the NSW Government work together with the Commonwealth Government and the HACC non-government sector to ensure the fair and equitable inclusion of all designated HACC target groups and that their inclusion needs to be achieved either through efficiency gains or the expansion of resources rather than contracting existing services to accommodate this aim.

ADDRESSING UNMET NEED

3.21 The Committee acknowledges the concern expressed by DADHC and others, including NCOSS, that an undue emphasis upon growth funding is an unhealthy distraction, particularly for service providers, from the objectives of the program. The Committee believes, however, that, because of the apparent high level of unmet need (although

unquantified), there is a need to devise a mechanism that assures both maintenance of service expansion as well as the base level of services.

3.22 The Committee does not agree, either, with the presumption that growth funding should be used to 'refigure the service system to improve productivity of the service system as a whole.'[4] In evidence to the Committee, Ms Mills, Deputy Director-General, DADHC, described strategies to improve the capacity and capability of the non-government sector to be effective providers of services, including standardised accounting, support for backroom activity and training boards in governance.[5] The Committee believes that these are the types of strategies that could assist in the reconfiguration of the HACC service system, but that they must be applied to the HACC service system as a whole, that is, including the Home Care Service. The Committee believes reconfiguration of the HACC service system is a task most appropriately tackled through the Community Care Reform process, in consultation and partnership with HACC service providers and consumers, and resourced through one-off grants agreed for the purpose.

3.23 The Committee believes that there is a need for the NSW Government to acknowledge the concerns variously expressed about the extent of unmet need and exercise its leadership to engage the Commonwealth Government and the HACC sector to develop a policy for measuring and monitoring unmet need. This process might include agreement by the parties upon the maintenance by respective HACC services of waiting lists and agreement to coordinate these through unique identifiers or supported referrals.[6] Such a process for measuring and monitoring unmet need would also call for agreed benchmarks in the HACC program about what constitutes appropriate levels of service provision. These may vary from location to location and will be informed by demographic data.

3.24 The Committee also believes that being able to measure and monitor unmet need for the HACC program will assist in informing an opinion as to whether the objectives for HACC are being met and whether it is achieving value for money in terms of helping people remain in their homes longer. The Committee heard the alternative, untested proposition that, if HACC services were unavailable, frail aged, disabled people and their carers would place additional burdens upon the health system through premature admissions. It does seem a sensible proposition for program administrators to be able to access and utilise the appropriate data to inform program developments in the context of known community needs.

3.25 Based upon the above determinations, the Committee also believes that the NSW Government should propose to the Commonwealth Government that the allowance for growth funding indicated within the *Home and Community Care Act 1985* be applied to address the identified level of unmet need for the HACC program, going forward.

RECOMMENDATION 12: That the NSW Government negotiate with the Commonwealth Government to apply an allowance for growth funding, indicated within the *Home and*

[4] DADHC, submission No 20, p 8
[5] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 22 September 2006, p 7
[6] Supported referrals ensure that one referring organisation maintains responsibility for contact with an individual until a service is secured for them.

Community Care Act 1985 to address identified unmet need within the HACC program in the future.

PRUDENT PROGRAM GOVERNANCE

3.26 In relation to the administration of the program, the Committee was pleased to note that work is being undertaken by the States and the Commonwealth to update a manual for clear guidance of the program's administration. This should assist in overcoming situations which have, in the past, led to dispute and the delays in granting funds.

3.27 The Committee has also noted that the apparently inadequate levels of administrative funding for the HACC program. In the case of the NSW State Government's administration of the program overall, this has resulted in the NSW Government having to 'top up' the administrative budget from its own sources as the agreed portion allowable for administration has gradually eroded to less than 1% of overall program funds. The Committee believes that this is a matter requiring immediate attention by the State Government and the Commonwealth through joint agreement, in order that the program receives a proper level of administrative attention and that the NSW State Government is not unfairly carrying administrative costs that should be jointly borne.

3.28 In addition to this concern, the Committee is adamant that the Commonwealth Government must bear its share of funding for increases legally granted to HACC workers under the Social and Community Services (SACS) Award, including retrospective payment for this share which has to date been carried by the NSW State Government.

RECOMMENDATION 13: That the NSW Government urge the Commonwealth Government to jointly consider and agree to a quota of funds for statewide administration of the HACC program above the current, inadequate level of 0.79% and sufficient for appropriate governance of the program.

RECOMMENDATION 14: That the Commonwealth Government meet its obligation to fund its share of increases legally granted to HACC workers under the Social and Community Services (SACS) Award and not paid to date, and that this funding include recompense to the NSW Government for ensuring that HACC workers have received their entitlements in full.

3.29 While the Committee notes that non-government organisations may not necessarily have the same levels of administrative constraints as do program administrators, it is nonetheless concerned that HACC service providers should receive adequate funding to deal with administrative and legal accountabilities such that these do not adversely impact upon service provision. As new administrative issues or challenges arise, such as rising insurance or fuel costs, the Committee believes that these are best addressed through an adequate rate of indexation in the program.

RECOMMENDATION 15: That the NSW Government work with the Commonwealth Government to ensure that an adequate level of indexation is provided to assist HACC service providers to meet their legal and administrative accountabilities, thereby ensuring that resources do not have to be diverted from service provision.

3.30 The Committee recognises the concern noted by a number of stakeholders indicating that, unless a workforce plan is developed for the HACC services sector, it will be

unprepared for likely shortages of skilled staff in the future. As there is no more important area of community concern than support for our most vulnerable community members, the Committee believes it is essential for HACC program administrators to urgently address this issue.

RECOMMENDATION 16: That HACC program administrators within NSW and the Commonwealth Governments jointly discuss and develop a workforce plan for the HACC services sector in consultation with non-government service providers and consumers, and that this plan include access to training currently available to Government employees whereever appropriate and possible.

Chapter Four – Home Care Service of NSW: Issues and Concerns in Relation to the HACC Program

4.1 This Chapter examines the way in which the Home Care Service of NSW (HCS) and DADHC have responded to recommendations of the Auditor-General's 2004 Performance Audit and issues which have emerged in the context of those responses during this inquiry.

PERFORMANCE AUDIT REPORT FINDINGS AND DEPARTMENTAL RESPONSE

4.2 The Performance Audit examined the effectiveness, economy and efficiency of the HCS. It made 17 recommendations about improvements to the service. In response to a request for a submission, the Department made a response to each recommendation and indicated whether it had been implemented. That table of responses is reproduced at Appendix Three, together with a summary of comments by the Committee.

4.3 The Auditor-General found that HCS did not have the capacity, at the time, to meet the needs of those eligible for services, particularly frail aged people. The Performance Audit Report noted that at least 50% of those eligible to receive a HCS service missed out.[1] It acknowledged the 'considerable pressure' on HCS as 'care needs far exceed[ed] available resources' and noted that the situation was unlikely to improve while demand for services continue to increase with an ageing population.[2]

4.4 The Performance Audit Report also identified inequities in HCS service delivery, depending upon the timing of calls from applicants, their location and the availability of HCS service hours. It noted that there was no automatic referral by HCS to other HACC services.

4.5 The Auditor-General also expressed concern that HCS had no process in place to assess how an individual's needs changed over time or how to assist the transition of people to another care setting, if appropriate.

4.6 Perhaps because of the pressure upon HCS, the Report suggested that neither demands nor expectations were being effectively managed.

4.7 It recommended that HCS could better manage demand by introducing:

- eligibility criteria for allocating service priority
- a system of referral to alternate providers where HCS cannot meet the immediate needs of an eligible applicant
- a waiting list for eligible applicants most at risk of not accessing services elsewhere

[1] Audit Office of NSW, *Home Care Service of NSW: Department of Ageing, Disability and Health Care,* October 2004, p 2
[2] *ibid*, p 4

- a service exit policy and a process of referral to other care programs where HCS can no longer meet an individual's needs.[3]

4.8 The Auditor-General also recommended that DADHC needed to reconsider where HCS should sit as a provider of home care services in the community care continuum.[4]

4.9 To help improve service quality, the Auditor-General recommended better customer satisfaction survey and sampling methods, including surveys of unsuccessful Referral and Assessment Centre (RAC) applicants; a regular program of assessing the quality of HCS services in the home and routine analysis by HCS of service-wide complaint data. While there was no recommendation about the Home Care Advisory Board, the Auditor-General noted it had not met in 2002 or 2003, but was reinstated by DADHC under a new charter for reform and improvement in 2004.[5]

4.10 The Auditor-General was also critical of service management, recommending that DADHC:

> define resources, service types, service level targets, and key performance indicators and assign accountabilities in the business plan.[6]

4.11 The Auditor-General also called upon DADHC to report publicly on HCS operations and performance against its business plan.[7]

4.12 Measures of effectiveness for the impact of services were also recommended, as was cost profiling, benchmarking of service costs with other providers and development and implementation by HCS of a client fees policy.[8]

4.13 The Auditor-General found that there were no established targets for HCS for the time taken to complete assessments or start a service, nor were there performance targets for HCS service levels to groups identified as having special needs within the HACC program. Recommendations were made to remedy these shortcomings.[9]

4.14 Finally, the Auditor-General identified the need for criminal record checks for all new and existing HCS staff as well as the development of a 'child-safe and child friendly' policy together with the Commission for Children and Young People.[10] This process required legislative change.

4.15 At the time, the Department commented that the audit was conducted during a period of significant reorganisation, and that the Home Care Branch was now established as one of the four business streams within DADHC's head office, with:

[3] Audit Office of NSW, *Home Care Service of NSW: Department of Ageing, Disability and Health Care,* October 2004, p 5
[4] *ibid*, p 5
[5] *ibid*, pp 25, 26
[6] *ibid*, p 29
[7] *ibid*, p 32
[8] *ibid*, pp 31, 32
[9] *ibid*, pp 33, 34
[10] *ibid*, pp 35

> ...a significant regional infrastructure to support HCS with nine Regional Home Care managers working to the Regional Directors. Eight of these are geographic regions with a statewide Aboriginal Region.[11]

4.16 The Departmental response also indicated the intent to immediately implement measures including:

- Reporting by the Referral and Assessment Centre directly to the Director of the Home Care Branch;
- HCS confirmation to DADHC of a set of deliverables for 2004/05;
- Home Care Advisory Board to advise on a set of options, including the role of HCS in the community care continuum;
- HCS participation in a HACC Unit Benchmarking Project; and
- Reporting by the Complaints Officer to the Manager of the Home Care Branch Business Stream Support, to enable systemic issues to be identified and inform change.

4.17 It also noted that 'medium term' work would be undertaken on a fees policy and the role of the RAC in assisting applicants with referrals to other HACC service providers.[12] In its submission to the inquiry, DADHC states it has implemented responses to 13 recommendations, partially implemented responses to three more and substantially implemented the remaining recommendation.[13] In evidence to the Committee, the Audit Office indicated that the only recommendation not accepted by DADHC related to the working with children checks for employees working in homes.[14]

4.18 The following sections examine issues identified in the course of this inquiry in relation to the Auditor-General's 2004 Performance Audit Report.

STRATEGIES FOR ADDRESSING UNMET NEED

4.19 While issues relating to unmet need in for the HACC program in general were addressed in Chapters Two and Three, the Committee received a number of submissions and comments about what is occurring in relation to unmet need in HCS.

4.20 Some of these identified the areas of unmet need, which ranged across service types and included:

- Respite;
- Shopping
- Transport
- Gardening and home maintenance;

[11] Audit Office of NSW, *Home Care Service of NSW: Department of Ageing, Disability and Health Care,* October 2004, p 7
[12] *ibid*, p 8
[13] DADHC, submission No 20, pp 11-15
[14] Ms Jane Tebbatt, Director of Performance Audit, Audit Office of NSW, transcript of evidence, 22 September 2006, p 33

- Housekeeping;
- Personal care;
- Home modification;
- Meals; and
- Transport.

4.21 The Local Government and Shires Associations also indicated that the concentration of services in one part of a Local Government Area could lead to unmet need in other parts outside the catchment area of those services.[15] Several parties commented on an identifiable and growing level of unmet need for people with low level support needs. Their concern was that failure to address this low level of need could have detrimental effects both personally for those unsuccessful applicants and for services consequently having to address more complex (and costly) needs.[16]

4.22 Carers NSW told the Committee:

> Many of the carers who are unsuccessful accessing the HCS also report to us they are unable to get any other services.[17]

4.23 Many commentators expressed concern that HCS appeared not to be keeping data on unmet need, nor was there a waiting list for people assessed as eligible for a service but unable to access one through HCS, apart from the High Need Pool.[18] There was also concern that individuals in need of a service may not receive one according to any priority of need, rather that the process for them could be haphazard or 'luck of the draw' based upon when they made contact or a vacancy came up. Central West Community Care Forum Inc. told the Committee:

> The peaks and troughs in Home Care Service's access still seem to apply.
>
> Eligible clients are not advised that if Home Care does not have availability for a service (and) that they need to maintain contact with their local office. Clients who have tried to receive Home Care are unaware they are not on a waiting list.[19]

4.24 ACS noted the disparity between the approach of HCS and most other community care providers in addressing unmet need. It commented:

> The Home Care Service continues to adopt a policy of not maintaining a waiting list (except for the High Need Pool program) and simply advising people to contact other community services within their region. Waiting lists (or any record of unmet need) are a valuable evidence base that can be used for future program planning purposes and also for organisational quality purposes.[20]

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[15] Local Government and Shires Associations of NSW, submission No 19, p 4

[16] Ms Chris Bath, Eastern Sydney HACC Forum, transcript of evidence, 25 September 2006, p 34 and submission no 5

[17] Carers NSW, submission No 12, p 6

[18] Carers NSW, submission No 12, p 6; Central West Community Care Forum Inc, submission No 2, p 2; NCOSS submission No 11, pp 8, 9; ACS submission No 7, p 8; Inner South-West Community Development Organisation, submission No 13, p 3; Northside Community Forum Inc, submission No 16, p 2; Ms Clover Moore MP, Member for Bligh, submission No 18, p 2

[19] Central West Community Care Forum Inc, submission No 2, p 2

[20] ACS, submission No 7, p 8

4.25 NCOSS was concerned that it had been previously advised by DADHC that HCS maintains a waiting list only for the High Need Pool because the maintenance of general waiting lists is resource-intensive.[21] NCOSS put the view that unmet need for HCS should be quantified and documented. It said:

> NCOSS believes that the recently completed Actuarial Report for DADHC would have provided valuable information on the size of the potential target population and possibly indicators of unmet need ... HCS should adopt a policy for measuring and monitoring unmet need for all people, not just those in crisis.[22]

4.26 ACS echoed the view that this report was vitally important for the capacity of the community care sector for responding to growing demand within the State and suggested it should be publicly released.[23]

4.27 Ms Mills, Deputy Director-General, DADHC, noted that the report is currently with the Minister for Disability Services and is not publicly available.[24]

4.28 Ms Claire Vernon, Executive Director, Home Care Service, told the Committee that HCS keeps a register of unmet need which records those assessed as eligible for home and community care but have not progressed 'through for service' because HCS does not, at that time, have the capacity to assist. Ms Vernon said that the register had to be treated with some caution, as it was 'common for referrers to contact more than one provider to seek service' and there was no requirement for referrers to advise HCS if an individual had been successful in accessing a service elsewhere. Ms Vernon noted that, as a follow-up to the concern expressed in the Auditor-General's Performance Report, about 50% of eligible people missing out on a service, HCS conducted a survey of 300 people on the HCS Register of Unmet Need. HCS wished to determine whether, after four or five months, these people still required a service. HCS found that only 30% still required a service.[25] The remainder had found alternative arrangements.

4.29 The Committee is concerned, however, that 30% of people who needed a service could not get one for four or five months. It was also concerned that the problem of double-counting of people on waiting lists needs to be avoided.

4.30 Ms Carol Mills, Deputy Director-General, DADHC, added that unmet need for HCS could more appropriately be referred to as:

> a list of expressed unmet demand as we do not know if the need is being met elsewhere and we do not know if a portion of their need is being met elsewhere.[26]

4.31 Responding to questions from the Committee about the maintenance of waiting lists by HCS, Ms Mills said that there is no current systematic approach for knowing whether a person assessed as eligible has secured a service elsewhere.[27] She noted that:

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[21] NCOSS, submission, No 11, p 8
[22] *ibid*, p 9
[23] ACS, submission No 7, p 8
[24] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 22 September 2006, p 16
[25] Ms Claire Vernon, Executive Director, Home Care Service, transcript of evidence, 22 September 2006, p 15
[26] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 22 September 2006, p 15
[27] *ibid*, p 12

> Because the NSW Government has invested in ReferralLink and ServiceLink we are going to established systems whereby we can automatically refer people to designated providers. So rather than people having to make multiple phone calls or multiple inquiries themselves, the system will allow us to take the basic information – perhaps even do the full assessment if that is required – and then automatically refer that person to the available service.[28]

4.32 The Committee recognises that the reforms for managing access and intake have implications for the broader HACC system.

4.33 Ms Mills noted that, for consistency, the project would be linked to the Commonwealth Government's Community Care Review and is due to be trialled over the next twelve to eighteen months. However, she noted that, while ReferralLink will be able to 'track the process' to determine whether a person has been referred on to a different service, it will not be able to inform DADHC as to whether a person actually receives a service or not.[29]

4.34 The Committee notes that, while concern was expressed about HCS's shortcomings in relation to dealing with unmet need, there were several helpful suggestions from submissions to the inquiry to remedy the situation, including the maintenance of waiting lists. The Committee felt that the problem of an individual being on multiple waiting lists might be addressed through the use of unique client identifiers. However, it received conflicting evidence from DAHDC indicating, on the one hand, that 'clients do not have, for example, a unique identifier historically', so that DAHDC had been unable to tell whether an individual is securing a range of different service types.[30] On the other hand, Ms Janet Milligan told the Committee that the Minimum Data Set collection contains a unique identifier methodology which ensures that a client in receipt of multiple services from different providers would only show up once. Ms Milligan said:

> … there is a method in the collection to know that it is one person.[31]

4.35 DADHC's submission also referred to the proposed new Client Information System for HCS, which the Committee understands, is intended to provide HCS with a single client database.[32] The Committee also understands the System has not, as yet, been implemented.

4.36 The Committee also heard from Alzheimer's Australia (NSW) that an entitlement program in the form of a 'voucher' system might be used to assist people who, due to funding constraints, are formally assessed as eligible but denied access to services or placed on waiting lists. Alzheimer's Australia's submission noted that a voucher system would provide eligible consumers with:

> … some capacity to access services on the private market or resource family and friends to provide a higher level of care than might be available on a voluntary basis.[33]

[28] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 22 September 2006, p 12
[29] *ibid,* p 12
[30] *ibid,* p 12
[31] Ms Janet Milligan, Executive Director, Strategic Policy and Planning, DADHC, transcript of evidence, 25 October 2006, p 9
[32] DADHC, submission No 20, p 9
[33] Alzheimer's Australia (NSW), submission No 4, p 2

4.37 However, Ms Janet Milligan, Executive Director, Strategic Policy and Planning, DADHC, said that a voucher system assumed people were equipped to find services and also that a voucher system would not lead to an expansion in service availability.[34]

4.38 NCOSS noted that the concept of service entitlement, defined as 'brokerage funds' had been suggested as one solution for allowing people with episodic conditions to access services in a more responsive system which is 'not always swamped by others with ongoing needs.'[35]

4.39 NCOSS also indicated that, within the Commonwealth Government's Community Care Reforms, a process of supported referrals is being considered, whereby a referring organisation retains responsibility for a person in need until a service is provided. NCOSS said:

> Under a system such as this, people needing service may not at length remain unsupported and lost in the system.[36]

4.40 The Committee also noted the comment provided by the Inner South-West Community Development Organisation stating that:

> In terms of strategies for addressing unmet need, the Home Care model implemented in DADHC Metro South [region] appears to have resulted in increased capacity, this is very welcome.[37]

EFFECTIVENESS OF HCS PROCESSES FOR MANAGING ACCESS TO SERVICES

The Referral and Assessment Centre

4.41 Considerable concern was expressed by stakeholders about the effectiveness of the central Referral and Assessment Centre operated by HCS. The Committee was told that people assessed as eligible by the RAC but unable to access a service immediately, have to 'work the system' by phoning the RAC daily to determine if a vacancy has become available. It heard that some people turned away from the RAC have become discouraged from approaching any HACC service in the future, even if their needs escalate. This may lead them to attempt to manage increasingly difficult conditions on their own, without any assistance. Some submissions stated that the RAC did not refer eligible people on to services if the HCS could not assist them at that time. There was also concern that the RAC provided the Commonwealth Carelink number to unsuccessful applicants, rather than furnishing contact details for other locally available HACC services. Service providers and consumers told the Committee that RAC staff should be more familiar with locally-available services and that many HCS service applicants in this situation believed that Carelink provided more of a

[34] Ms Janet Milligan, Executive Director, Strategic Policy and Planning, DADHC, transcript of evidence, 22 September 2006, p 16
[35] NCOSS, response to questions on notice, 23 October 2006, p 7
[36] *ibid,* p 5
[37] Inner South-West Community Development Organisation, submission No 13, p 3

service than just information and contact details. Applicants find it distressing to continue to 'shop around' for a service.[38]

4.42 Others, such as the Sutherland Shire Community Care Network, noted that communication and language difficulties presented additional difficulties for some people faced with the need to contact many service providers. For those on a fixed income, the cost of calling several providers repeatedly could be a burden or limitation.[39]

4.43 The Cancer Council NSW commented:

> The TCCN understands that the HCS maintains waiting lists for high-priority clients; other clients must repeatedly contact the HCS Referral and Assessment Centre to be offered a service when it becomes available. This situation is untenable and unnecessarily stressful for cancer patients and their carers. The establishment of a high-priority list would ensure that those in the end-stage of disease will receive treatment before they die. This will also ensure that those with serious illnesses receive services when most needed.[40]

4.44 Northside Community Forum Inc noted the frustration evident among service providers, advocates and consumers seeking to access the RAC, where 'waiting up to 50 minutes before speaking to an assessor is not uncommon.'[41] Ms Helen Ivory, Coordinator, Cronulla Neighbour Aid, told the Committee:

> This is my experience with the RAC: Nine times out of ten the call is answered by an answering machine. When clients do get to speak to the RAC staff they are screened and ranked, then told whether or not they are eligible – and there are numerous ways of telling them whether they are eligible or not. If clients are not eligible, they are told to try again in a month or so and perhaps given a phone number to an information service. They are not referred to another service provider and they are not put on a waiting list.[42]

4.45 Gosford City Council commented that, since its incorporation into DADHC, HCS had provided an excellent quality service to clients, however, HCS had become a 'closed shop' in relation to collaboration with other service providers, failing to refer clients to other services, even if they may be more appropriate.[43]

4.46 The Sutherland Shire Community Care Network said that RAC staff do not network or attend regional HACC forum meetings. It suggested this was reflected in a lack of local knowledge and understanding of other HACC providers by the RAC. It had also offered to update RAC staff with local information.[44] Ms Helen Ivory told the Committee that RAC assessors and staff needed to be a part of local networks because 'you do not know services just from a book or a data base.'[45]

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[38] Central West Community Care Forum, submission No 2, p 2; Ethnic Child Care, Family and Community Services Co-operative Limited, submission No 3, p 2; NCOSS, response to questions on notice, 23 October 2006, p 5; Sutherland Shire Community Care Network, submission No 15, p 5; Ms Clover Moore MP, submission No 18, p 2

[39] Sutherland Shire Community Care Network, submission No 15, p 3

[40] The Cancer Council NSW, submission No 14, p 6

[41] Northside Community Forum Inc, submission No 16, p 1

[42] Ms Helen Ivory, Coordinator, Cronulla Neighbour Aid, transcript of evidence, 25 September 2006, p 12

[43] Gosford City Council, submission No 9, p 1

[44] Sutherland Shire Community Care Network, submission No 15, pp 3, 4

[45] Ms Helen Ivory, Coordinator, Cronulla Neighbour Aid, transcript of evidence, 25 September 2006, p 16

4.47 NCOSS said it believed it was vital for the HCS assessor/coordinator to participate in local community care networks in order to be able to provide clients with reliable, recent information about other services.[46]

4.48 ACS noted that, although telephone screening is becoming 'accepted practice', it does rely upon the particular skills and sensitivity of an assessor and, moreover, upon 'the skills of a potential client or their advocate to convey their needs in a manner that attempts to meet eligibility criteria.' ACS suggests HCS needs to monitor the effectiveness of intake and assessment processes.[47]

4.49 The Committee also heard that people from Culturally and Linguistically Diverse backgrounds and Aboriginal and Torres Strait Islander people respond better to face to face communications and assessments.[48] In each case, case workers with relevant cultural appropriateness training are needed.

4.50 Ms Helen Ivory also commented that 'phone assessments are a totally inadequate way of assessing a client's needs,' in part because the screening tool used by the RAC is used to rank the caller and 'does not focus on the human aspect of what the caller's needs are.'[49]

DADHC Response

4.51 DADHC noted that:

> all referrals to Home Care are screened for eligibility and prioritised for intake by experienced assessors in the RAC. There are two teams of skilled assessors, each guided by a Team Leader. Team leaders provide support to the assessors and regularly monitor workload and workflow. Regular team meetings are held and quality assurance activities are undertaken to ensure consistency in referral and assessment processes and prioritisation. Intake and assessment for clients of Aboriginal Home Care is undertaken by staff at the local Aboriginal Home Care Branch.[50]

4.52 DADHC also indicated that the key factors in prioritisation are:

- the level of assistance required by the client; and
- the risk of current care arrangements breaking down.[51]

4.53 DADHC's submission also noted that:

> Referrals will only proceed to assessment where there is capacity in the [HCS] regional branch closest to the person requiring service. For example, if the person has requested personal care and the branch has no capacity to take on this service the referrer will be advised and referred to Carelink who may advise the person of alternative options for service. Carelink centres have databases of service providers and provide a single point

[46] NCOSS, responses to questions on notice, 23 October 2006, p 3
[47] Aged and Community Services Association of NSW and the ACT, submission No 7, p 9
[48] Ms Vivi Germanos-Koutsounadis, Executive Director, Ethnic Child Care, Family and Community Services Cooperative Limited, transcript of evidence, 25 September 2006, pp 24, 27; Ms Nicole Winters, Day Care Coordinator, Gilgai Aboriginal Centre, transcript of evidence, 18 October 2006, p 5
[49] Ms Helen Ivory, Coordinator, Cronulla Neighbour Aid, transcript of evidence, 25 September 2006, pp 12, 13
[50] DADHC, submission No 20, p 3
[51] *ibid*, p 4

> of information about types and costs of services, assessment processes and eligibility criteria.[52]

4.54 The Committee heard that the RAC conducts 30-35% of assessments face to face, and all of the assessments for HCS High Need Pool clients (over 400 clients) are conducted face to face.[53]

4.55 DADHC also told the Committee that there had been consultation, at least between the RAC and the carers' coalition, in relation to the introduction of the functional screening tool.[54]

4.56 DADHC noted that one frustration in understanding the level of demand upon HCS is that, when an individual is referred on for a service, the referrer is not required to advise HCS that the individual no longer needs a service from HCS.[55]

Lack of Access by Certain Groups

4.57 DADHC indicated to the Committee that people from a wide range of backgrounds and situations can access HACC services without prejudice.[56] However, the Committee heard from a number of parties that the inflexibility of HCS assessment and service locks out certain groups. NCOSS informed the Committee that this perceived rigidity:

> does not allow access or responsive service provision to people with mental illness, people with episodic conditions and people with HIV/AIDS.[57]

4.58 NCOSS also indicated that, because HCS operates largely at capacity, there was little opportunity to respond methodically to people requiring services at inconsistent times and levels.[58]

4.59 Additional issues were raised by several stakeholders about the effectiveness of HCS in managing access to services across particular service types. NCOSS noted that, while clients from culturally and linguistically diverse communities comprise 9% of HCS total client base, they use higher than average levels of services. It noted that one explanation for this situation was that:

> CALD clients wait longer before accessing HCS and are therefore more acute when entering.[59]

4.60 In its submission and in evidence to the Committee, the Ethnic Child Care, Family and Community Services Cooperative Limited described a range of processes it uses to enable culturally and linguistically diverse people to better access HACC services in

[52] DADHC, submission No 20, p 2
[53] Ms Claire Vernon, Executive Director, Home Care Service, DADHC, transcript of evidence, 25 October 2006, p 4
[54] *ibid*, p 4
[55] DADHC, submission No 20, p 2
[56] Ms Claire Vernon, Executive Director, Home Care Service, DADHC, transcript of evidence, 22 September 2006, p 18
[57] NCOSS, response to questions on notice, 23 October 2006, p 6
[58] *ibid,* p 6
[59] NCOSS, submission No 11, p 9

general, and HCS in particular, including community-specific focus groups and disseminating information through ethnic radio.[60]

4.61 Carers NSW, the Inner South-West Community Development Organisation and the Cancer Council all expressed concern that the RAC did not adequately address the needs of carers. Carers NSW commented that:

> The Referral and Assessment Centre (RAC) carries out the majority of assessment by phone according to the RAC factsheet. However, one disadvantage with a phone-based assessment tool is that assessors may not pick up the needs of a carer that may be additional to the needs of a care recipient in the same household or relationship.[61]

4.62 The Inner South-West Community Development Organisation noted that:

> The screening tool, which is used by the RAC, acts as a rationalising tool that screens out eligible members of the HACC target group, eg carers. Concern has also been raised about the reliability and validity of this tool for people with dementia and cognitive impairment.[62]

DADHC Response

4.63 When asked by the Committee how the RAC functional screening tool could be improved, particularly to be more flexible in relation to the needs of carers, Ms Vernon, Executive Director, Home Care Service, said:

> When the functional screening tool was adapted by the University of Wollongong for the Referral and Assessment Centre, it uniquely introduced two specific questions on care: Was there a carer in the house and was support for the needs of those carers able to be continued? So in 2000 we were actually leading the way when we were looking at carers' needs.
>
> I met with the Carers' Coalition, together with the manager of the Referral and Assessment Centre, and talked them through the functional screening tool. We want to stay to the forefront of understanding the best way to assess people's needs for service and in particular recognise the important role carers play. As part of that you would be aware that the Commonwealth are piloting a new tool, the Australian Community Care Needs Assessment, and Home Care has been taking part in that technical trial to see whether there are improved systems of assessment and taking into account carers' needs.[63]

Unilateral Reductions in Service

4.64 The Committee was also informed that reasons such as insurance or occupational health and safety (OH&S) were increasingly being cited to reduce or cease HCS services to eligible consumers.[64] The Committee received evidence that this was previously the case in relation to the provision of services to Aboriginal and Torres Strait Islander people. The Eastern Sydney Home and Community Care Forum provided documentation which indicated:

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[60] Ethnic Child Care, Family and Community Services Cooperative Limited, transcript of evidence, 25 September 2006, pp 21, 27

[61] Carers NSW, submission No 12, p 7

[62] Inner South-West Community Development Organisation, submission No 13, p 3

[63] Ms Claire Vernon, Executive Director, Home Care Service, DADHC, transcript of evidence, 25 October 2006, p 4

[64] Carers NSW, submission No 12, p 11

> In some cases OH&S issues means the HCS is unable to provide service until rectified, eg missing floorboards, unsafe bathrooms, electrical and light faults and failures. There are common delays in the rectification of OH & S issues in homes belonging to DOH or AHO clients, causing a delay in the commencement of service provision.
>
> Other OH&S issues relate to customer behaviour, mental health instability, alcohol and drug use, smoking. These may prevent provision of service and be difficult to address in the absence of supportive services.[65]

High Need Pool

4.65 One further concern about managing access to HCS service was raised by NCOSS. It noted that the HCS High Need Pool is quarantined at $20 million and is not scheduled to receive any growth funding. NCOSS said that, as HCS has stated its benchmark of 80% service provision to people with low needs is to be maintained, and if the status quo for the HNP remains:

> … neither HCS nor DADHC have [not] explained what happens for others requiring more intensive levels of home support services.[66]

4.66 NCOSS also expressed concern that the High Need Pool 'mostly operates at capacity and there is very slow turnover or throughput of clients resulting in few vacancies.'[67]

4.67 The Committee noted evidence indicating that across entire regions, service providers are dealing with consumers with increasingly high and complex needs. Such a trend would clearly have an effect upon service provision capacity, including that of HCS. When asked about this, Ms Carol Mills told the Committee:

> … we have obviously read the transcripts of some of the evidence that has been provided since we were last here and did notice that a number of people referred to HACC as being focussed on complex needs clients and that other clients were perhaps not getting adequate service. On the other hand, we also read that some said young people with a disability were not getting as high a share of it. So there are actually quite contradictory views I think coming across.
>
> In terms of our data, the vast majority of HACC clients, particularly those receiving core domestic assistance, meals services and personal care, continue to receive very low levels of support. For example, around 97% of people nationally – and New South Wales is consistent with this data – receive less than 4.5 hours per week personal care, and while the majority of clients are old people, we do have in New South Wales a higher proportion of people with a disability than across the country.
>
> In terms of access to services, it is also true that in a large part of the HACC system there is quite a high turnover rate and where the turnover rate is greatest tends to be with people who have higher levels of support needs. So, again, I would question whether there is actually data to show that. We have a longitudinal analysis that has been done within the State and nationally that shows there has been no real shift in the population in the last four or five years to indicate the sorts of comments that we saw in the transcripts about a shift in the levels of demand or types of services.[68]

[65] Eastern Sydney Home and Community Care Forum, *Eastern Sydney Area HACC Planning*, 2003, p 45
[66] NCOSS, submission No 11, p 9
[67] NCOSS, response to questions on notice, 23 October 2006, p 6
[68] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 25 October 2006, p 2

Local Variations

4.68 It is also possible that the shifts in the level of demand reported to the Committee by stakeholders were occurring in localised areas. The Committee was told of instances in which HCS services were oversupplied in the lead up to the end of the financial year, resulting in an imperative to quickly spend surpluses. ACS commented that its members were:

> … currently reporting the over supply of community care services in some regions due to the sudden and late release of HACC funding and through the Home Care Service opening its books in some areas without notice.[69]

4.69 Sutherland Shire Community Care Network attributed this to a 'gatekeeping role' used by the RAC, separated from local HCS Branch considerations.[70] NCOSS noted that there appeared to be a process of internal HCS funding transfers between regions relating in some way to statewide targets, rather than regionally planned and negotiated funding. NCOSS included in its submission a comment from one of its stakeholders which said:

> … the branches have regional knowledge about service capacity, resources and boundaries. The return to regional budgeting would also improve flexibility and reduce the quarterly "peaks and troughs" in HCS.[71]

4.70 The Committee noted that service capacity and other issues are being addressed by the national Community Care Review.

Lack of Responsiveness in Service Design

4.71 Aside from the issue of carers accessing services, stakeholders also expressed concern that the ongoing needs of carers were not being adequately addressed by HCS. Northside Community Forum Inc commented:

> Many clients are seen only as silos rather than in context of a family unit or the interaction across or within relationships. This often results in confusion and frustration for carers and the client. For example, HCS Domestic Assistance will only wash the dishes of the client.[72]

4.72 Carers NSW indicated that services need to be flexible and responsive in dynamic situations, but currently:

> Some feedback from carers suggests that the HCS lacks flexibility and does not enable carers and the people they support to access the appropriate service at the appropriate time. This matter relates to the provision of ongoing reassessment of the caring situation, recognising that support needs of both the person requiring care and their carer change constantly.[73]

4.73 The Cancer Council of NSW reported confusion and inconsistency around the eligibility of palliative care patients and their carers for HCS services, meaning that they could be denied services or subjected to long waiting times, so 'the patient may

[69] ACS, submission No 7, p 7
[70] Sutherland Shire Community Care Network, submission No 15, p 4
[71] NCOSS, response to questions on notice, 23 October 2006, p 9
[72] Northside Community Forum Inc, submission No 16, p 2
[73] Carers NSW, submission No 12, p 7

die before the HCS service is made available.'[74] NCOSS reported that the situation was similar for people with Motor Neurone Disease, where:

> ... the delay in actual HCS delivery is too long, not accounting for the rapid deterioration of the disease. MND [the Motor Neurone Disease Association of NSW] reports that people are dying before they can access the high needs pool. There is serious concern at the rigidity of processes, and that reviews of the level of service are not frequent enough for people with rapidly progressing MND.[75]

4.74 NCOSS also noted that, while HCS generally provides a high quality service to existing clients, NCOSS had received consistent anecdotal reports of people with mental illness not being able to access HCS services. NCOSS supported specific training to address instances of 'misconception, fear and prejudice' of these illnesses and conditions.[76] The Inner South-West Community Development Organisation noted the need for a coordinated statewide strategy between HACC and mental health services. This organisation also supported improved training in this area.[77] The Committee received evidence that, in spite of years of work to increase awareness and access, there were instances of direct refusal of HCS service based upon prejudice against people with HIV/AIDS and gays and lesbians.[78]

Exit Policy

4.75 The need for a service exit policy is related to the above concerns. The Auditor-General's Performance Audit Report noted that there was no limitation on the number of service hours a High Need Pool client can receive. Combined with a sizeable waiting list for HNP consumers and those already in the HNP wanting additional services and with budgetary pressures on HCS branches, there was 'a risk that HCS is maintaining clients in the community who may be better served by other care arrangements.' The Auditor-General's Report accordingly recommended that DADHC develop an HCS exit policy and a process of referral to other care programs.[79]

4.76 The Committee, however, did note that, since the Audit Report, the HNP has been capped at 140 hours per four week period.

4.77 DADHC advised the Committee that, while there are systems in place for people to exit the program, there is no standardised process for reassessment of individuals whose needs have changed.[80] It also advised:

> A policy on client reviews was implemented from July 2005. The policy standardises the client review process and sets out the conditions for discontinuation of service. In addition greater emphasis has been given to referral of clients whose needs exceed the capacity of the HACC Program as networks have been utilised at a regional level with health and allied professionals, as well as Carelink, assisting clients to transition to other programs.[81]

[74] The Cancer Council of NSW, submission No 14, pp 5, 6
[75] NCOSS response to questions on notice, 23 October 2006, p 8
[76] *ibid*, p 7
[77] Inner South-West Community Development Organisation, submission No 13, p 6
[78] NCOSS, response to questions on notice, 23 October 2006, p 8
[79] NSW Audit Office, *Home Care Service: Department of Ageing, Disability and Home Care*, October 2004, p 18
[80] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 22 September 2006, p 10
[81] DADHC, submission No 20, p 11

4.78 The Committee notes that there is no standardised system of measurement for this purpose across the whole HACC system.

Fees Policy

4.79 The Auditor-General's Performance Audit Report also indicated that HCS does not have policies or procedures for assessing the capacity of HACC clients to pay for services, and that there was inherent unfairness in the way a fee for a HCS service was struck. It recommended development and implementation of a client fees policy as a way to overcome this problem.[82]

4.80 The Committee heard that HCS still does not have a client fees policy in place. However, it does have a consistent schedule of fees across the State which takes into account capacity to pay, and is working toward the establishment of a State-wide fee for services.[83]

4.81 Ms Carol Mills commented that work is being undertaken under the auspices of the national Community Care Review to ensure there are no perverse incentives for people to stay in a particular program. In addition, she advised there is work being undertaken with other State Government agencies to address issues relating to the cumulative impact of fees for low income people.[84] Ms Vernon also told the Committee that the HACC guidelines state that 'the inability to pay can never mean people do not get a service.'[85]

4.82 NCOSS indicated that, while the Commonwealth Government had advised that work was being undertaken on the development of a fees policy in community care, there has been no consultation with the HACC services sector about this. It noted 'serious concern at the prospect of a mandatory fees policy when there is such a high proportion of HACC clients reliant on income support.' It also said:

> In past years, NSW has rightly resisted the introduction of a prohibitive fees policy in order to protect access by people who are on low incomes and may be financially disadvantaged.[86]

4.83 NCOSS also noted that, with clients in receipt of HACC services from several service providers which all have different fee structures, there may be an issue as to whose fees take precedence, particularly if the client cannot afford them. It also noted that with 'increasing pressure on service providers to raise funds to supplement shortfalls in funding,' a formal fees policy might result in particular service providers, supporting the most vulnerable people, being disadvantaged.[87]

[82] NSW Audit Office, *Home Care Service: Department of Ageing, Disability and Home Care*, October 2004, pp 31, 32
[83] Ms Claire Vernon, Executive Director, Home Care Service, DADHC, transcript of evidence, 25 October 2006, p 12
[84] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 25 October 2006, pp 11, 12
[85] Ms Claire Vernon, Executive Director, Home Care Service, DADHC, transcript of evidence, 25 October 2006, p 12
[86] NCOSS, response to questions on notice, 23 October 2006, p 13
[87] NCOSS, response to questions on notice, 23 October 2006, p 14

CONSUMER INPUT TO HOME CARE SERVICE

4.84 The Committee heard that, while there is an Advisory Board for HCS, with representatives who may identify as consumers, there is little knowledge, generally, about how the consumer representatives receive information from consumers of services or how this is utilised. Central West Community Care Forum Inc noted that 'there is little knowledge of consumer input in regional NSW other than client surveys.'[88] Miranda District Neighbour Aid wrote:

> To the best of our knowledge our consumers have never been involved in any input to the Home Care Service. While we regularly seek and get feedback from clients and volunteers, DADHC has never sought any of this information from us or them.[89]

4.85 Carers NSW expressed concern that there is no representative on the HCS Advisory Board to 'directly represent carers' interests' and that:

> It is not clear to us what extent the Board is apprised of HCS activities and progress toward addressing the Audit Office's recommendations or what provisions exist for Board members to feed their expertise and experiences into these processes.[90]

4.86 NCOSS wrote:

> The HCS Advisory Board provides the largest provider of HACC services in NSW with an opportunity to capitalise the energy and expertise of eminent supporters. Accordingly, NCOSS believes the HCS Board should be pro-actively involved [in addressing issues of service design, management or delivery of programs and other mechanisms for assessing service quality].[91]

4.87 The Inner South-West Community Development Organisation noted that the status of HCS Branch Advisory Committees was unclear.[92] Sutherland Shire Community Care Network also commented about consumer input at the Branch level within HCS. It indicated that, while this was effective in the locality, it did not seem to be recognised 'in the Home Care hierarchy.' Sutherland Shire Community Care Network also noted:

> Procedural changes in Home Care seem to occur without consumer or sector consultation; this is a particular problem because, as the largest provider of HACC in NSW, everything they do has a flow-on effect.[93]

4.88 The Committee also heard that, while there was support for the complaints mechanism within HCS, there was a need for a broader review process that regularly assesses individual needs and satisfaction with HCS services, as recommended by the Auditor-General. Northside Community Forum told the Committee:

> … the HCS client group is by nature one of the most voluble groups in the community, least likely to make a complaint for fear of loosing a service.[94]

4.89 The Cancer Council commented:

[88] Central West Community Care Forum Inc, submission No 2, p 2
[89] Miranda District Neighbour Aid, submission No 6, p 1
[90] Carers NSW, submission No 12, p 8
[91] NCOSS, submission No 11, p 11
[92] Inner South-West Community Development Organisation, submission No 13, p 5
[93] Sutherland Shire Community Care Network, submission No 15, p 5
[94] Northside Community Forum Inc, submission No 16, p 4

> As part of any consumer-focused service, routine surveying of clients, including keeping adequate documentation of those who are waiting for services or who have not received services, will ensure that service provision can be continuously reviewed and improved.[95]

4.90 Many stakeholders supported an approach that included an expanded role for consumer input, including through the HCS Advisory Board, routine surveys of client satisfaction (including consumers assessed as eligible for a service but unable to access one) and improved consultation at all levels of service.

4.91 Alzheimer's Australia NSW noted:

> … our experience is that the officers of DADHC and Home Care Services are aware of consumer imperatives and on the whole, adopt a responsive approach within the confines of a complex system. We recommend the involvement of an appropriate consumer representative committee, such as MACA, in the review of programs.[96]

4.92 DADHC indicated that it has in place a range of mechanisms to 'involve clients and health professionals in the design, management and delivery of services.'[97] It also noted that, while HCS had implemented an independent client survey, as recommended by the Auditor-General, it had not as yet implemented any survey of unsuccessful applicants (also recommended by the Auditor-General). It had, however, contacted almost 300 clients who were unsuccessful in gaining a service and determined that 30% still required a service, while the remainder no longer needed a service or had found services through 'other providers or informal supports.'[98]

Role of HCS

4.93 A particular recommendation of the Auditor-General's Performance Audit Report proposed that DADHC reconsider and clarify the place of HCS as a provider of home care services in the community care continuum and that it develop eligibility criteria to direct resources to those most in need within HCS service and resource levels.[99] The Committee was conscious that the Department's response to this recommendation could have, as the Auditor-General also indicated, profound implications for other HACC program service providers in New South Wales. In evidence to this inquiry, Mr Tony Whitfield, Acting Auditor-General, commented that, if the recommendation were implemented:

> … there should be a definition of the types of service that Home Care should provide, so that they can service those people within those criteria, and that other agencies within the system should then pick up the appropriate service so that they can provide to the people that require it, so that there is a more clear definition of which part of the HACC process the different agencies will provide the services in.[100]

4.94 Mr Whitfield also said:

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[95] The Cancer Council NSW, submission No 14, p 6
[96] Alzheimer's Australia, submission No 4, p 2
[97] DADHC submission No 20, p 5
[98] Ms Claire Vernon, Executive Director, Home Care Service, DADHC, transcript of evidence, 25 October 2006, p 7
[99] NSW Audit Office, *Performance Audit*, *Home Care Service: Department of Ageing, Disability and Home Care*, October 2004, p 16
[100] Mr Tony Whitfield, Acting Auditor-General, transcript of evidence, 22 September 2006, p 28

> ... if a person is being provided services by Home Care, there should be an exit policy so that once they need additional services, they should move on to the next appropriate agency to deal with them rather than Home Care retaining them and using their funding to provide services that may be better provided by different agencies.[101]

4.95 ACS told the Committee:

> Of more significant concern to ACS is the inherent tension posed by DAHDC effectively monitoring itself when it monitors Home Care. It is vital the State Government consider whether it needs to continue to be a direct provider of community care services in the 21st Century, and if it does, it must ensure effective separation of the roles of funder/monitor from that of provider.[102]

4.96 The Committee noted that DADHC's position on the role of the HCS as a provider in the community care continuum had been determined by the Executive within DADHC, and that HCS would:

> ... provide services based on a targeted service type mix that will assist frail aged persons and younger persons and their carers.[103]

4.97 In addition, Ms Carol Mills, Deputy Director-General, DADHC, told the Committee:

> We are very conscious of the importance of being transparent and being open about the way in which decisions are made in order to give confidence to the community that we do not blur the distinction between those various roles, and we do have, both in our administrative structure and our processes, quite clear separations in terms of decision-making about the various aspects of our business, so that it is clear where particularly the Home Care Service acts as a service provider on the same sort of level as other service providers in terms of input to planning and decision-making. We are quite confident that we have actually got the Chinese walls necessary to make that work effectively.
>
> With regard to what role Home Care Service plays, it is certainly true that in its long history for most of that period it was not just the only government service provider, it was by far the only service provider of these types of assistances. In recent years there has been, both consciously and because the market has changed, a growth in alternative providers and at the same time there has also been an increasing view within government that where possible service delivery by agencies other than government should be encouraged. We have certainly taken a consistent view in that.
>
> In recent years, the share of the Home Care budget has declined and that has been a deliberate policy decision, rather than a Home Care agency decision. Our view has been as policy makers and funders to have as diverse a sector as we can, to not be dependent on one particular provider. To enable the sector to have confidence in the transparency of that, we have in fact at times prohibited Home Care in actually bidding for work.
>
> We have, however, continued to use Home Care as a very important provider across the whole continuum of need. It provides services from very low personal levels of domestic assistance and personal care to high levels of support to people with physical disabilities and those who require lots of care. Again, I think it has continued to provide a role in locations where there are not alternative providers. I think the future challenge for us is to work out what is, from a Home Care point of view, the critical mass that enables it to play that role, and obviously in order to be able to be efficient across the whole State there are certain overheads and certain administrative structures that need to be in place

[101] Mr Tony Whitfield, Acting Auditor-General, transcript of evidence, 22 September 2006, p 29
[102] ACS, submission No 7, p 10
[103] DADHC, submission No 20, p 11

> and we would not want at this point Home Care to fall below a level that enabled us to do that effectively.[104]

SYSTEMS AND PROCESSES FOR SERVICE IMPROVEMENT

4.98 In spite of DADHC's assertion about 'Chinese walls' between the Department and HCS regarding its separate policy maker, funder and provider roles, the Committee heard concerns that HCS, in terms of its accountabilities, may not be treated in the same as other HACC service providers by DADHC. While NCOSS noted that it 'understands that the HCS will be subject to the same monitoring standards as other funded services' (ie under the Integrated Monitoring Framework (IMF) being implemented by DADHC), NCOSS said that it remains unclear how the Framework will be applied to HCS. The Local Government and Shires Associations echoed these concerns.[105] Further, NCOSS said:

> Similarly, HCS is subject to National HACC Standards but there has been no information on how these have been applied.[106]

4.99 ACS's comments about the need for a separation of roles were noted above. The organisation also noted:

> ACS supports application of the same basic accountability procedures to Home Care as to all other HACC services. We do note, though, that our own members' experiences with the IMF suggest it may require adaptation to work effectively with a large statewide organisation such as Home Care.[107]

4.100 In its submission, Sutherland Shire Community Care Network documented a number of instances in which it felt that HCS did not comply adequately with HACC service standards, while other HACC service providers were expected to meet these standards stringently as a condition of funding.[108] The Inner South-West Community Development Organisation similarly suggested that HCS should be subject to the same HACC service standard compliance and monitoring processes as other HACC service providers.[109]

4.101 The Committee also received advice from a number of sources expressing criticism that the 2005 State Government Budget Papers reported an additional $10.5 million allocation to HCS to deliver a 10.5% increase in hours of service, however, the 2006 State Budget showed HCS spent only $5.5 million of this and delivered just a 0.4% increase in service hours.[110] The Cancer Council also commented on the HCS underspend in 2005/06 of $4.58 million.[111]

4.102 Ms Claire Vernon refuted the claim, stating:

> I am pleased you asked that question because I was very concerned to see in people's submissions the suggestion that Home Care had received an additional funding

[104] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 25 October 2006, p 3
[105] Local Government and Shires Associations of NSW, submission No 19, p 6
[106] NCOSS, submission No 11, p 12
[107] ACS, submission No 7, p 10
[108] Sutherland Shire Community Care Network, submission No 15, p 3
[109] Inner South-West Community Development Organisation, submission No 13, p 5
[110] NCOSS, submission No 11, p 12; Carers NSW, submission No 12, p 6; Sutherland Shire Community Care Network, submission No 15, p 2
[111] The Cancer Council NSW, submission No 14, p 3

> allocation of $10.5 million during that year. That is not correct. The budget report that people referred to was in fact an expenditure line item and it showed that we were projecting a budget to budget increase of $10.5 million. That does not mean we were allocated $10.5 million. We were to source that budgeted increase in expenditure from a variety of sources. Some of it is indexation from the Home and Community Care Program which we receive, as do other providers, and revenue from non-HACC programs. Home Care provides services not just for home and community care but other Commonwealth programs. We planned to increase sustained revenues of fees and from retained earnings. So we projected to spend an additional $10.5 million.
>
> During the year we did not expend the total amount and we did face in that year a considerable increased amount of expenditure. Unit costs, which was also raised in a number of submissions, is something which we are wanting to continue to address and drive efficiencies in the delivery of service. During that year we had a significant increase in our workers compensation premiums, which we were working to address through our manual handling strategies, because we need to ensure that our workers are safe. We also had a number of wage pressures, a four per cent increase for example in our administration staff. So like any organisation, we had a number of pressures.
>
> We are working very hard this year. In fact we have set our unit cost this year at the same rate as last year. We are driving those efficiencies through rostering guidelines to care workers and in our manual handling strategy to manage our workers compensation premiums. So we are working very hard to deliver as efficiently as we can the services for the funding we receive. But I would be concerned at any suggestion that we were provided with an additional $10.5 million, as some of the non-government organisations observed and were concerned about.[112]

4.103 In its submission, DADHC described the monitoring processes in place at a Branch level in HCS which focus upon unit costs.[113] However, the October 2004 recommendation of the Auditor-General that DADHC conduct a regular program of assessing the quality of HCS services in the home has not been implemented. Ms Claire Vernon told the Committee that, while quality checks on the level of domestic service do not occur, clients could speak with local Branch service coordinators if they had concerns and, in the client survey conducted by HCS, 90% of clients knew who to contact in this regard. She also indicated HCS has confidence in the care plan and close supervision of care workers providing in-home support.[114]

4.104 In the Performance Audit Report, the Auditor-General found that HCS had no means of assessing the impact of home-based care on assisting people to remain living at home for longer than if those services were unavailable. It recommended that DADHC develop measures of effectiveness to monitor the impact of services. However, while DADHC advised in response to the Auditor-General's recommendation that it has conducted client satisfaction surveys, the issue remains unaddressed in terms of value for money. The Auditor-General also found that HCS services cost more than other providers, and exceed the sector average. It noted that, at the time, DADHC considered that HCS costs were higher due to it:

- having a prominent role in providing HACC screening and referral services;

[112] Ms Claire Vernon, Executive Director, Home Care Service, DADHC, transcript of evidence, 25 October 2006, pp 5,6
[113] DADHC, submission No 20, p 8
[114] Ms Claire Vernon, transcript of evidence, 25 October 2006, p 7

- serving clients with more complex needs, often requiring more than one worker to deliver the service;
- providing services after hours and on weekdays, while some providers operate only weekday business hours;
- providing services in rural and remote areas;
- providing services to special needs groups whose cultural requirements may make services more expensive; and
- using a different method to non-government providers to calculate the cost of its services which inflate the hourly rate.[115]

4.105 The Auditor-General recommended that DADHC analyse costs to develop detailed and differentiated cost profiles for services based on type and location. It also recommended benchmarking service costs with other providers.

4.106 Ms Janet Milligan told the Committee that HCS took part in a benchmarking study with other HACC service providers, which provided DADHC with information about the cost structure and unit cost of services. However, Ms Milligan acknowledged that the study only identified service costs within a very general range, which would be of limited use to individual service providers in terms of reducing their costs.[116] The Committee examined the available information on the benchmarking study and would concur that the reported ranges of service costs (for example: Domestic Assistance $24.45 - $59.41; Respite $8.51 - $55.81; Social Support $2.95 - $63.05)[117] do not provide a useful basis on which to analyse or address service cost structures. The Committee noted DADHC's comment that 'further work is required before cost benchmarks that are widely useful to the sector can be determined.'[118] It also noted that DADHC has commenced work on improving the accuracy and reliability of MDS data to better understand the diversity of available service models, as the different structures of these in terms of direct staff wages, use of volunteers and client to staff ratios were found to be critical elements of unit costs.[119]

4.107 The Committee notes that the DADHC submission does detail the monitoring of unit costs and reporting across HCS which have been implemented since the Auditor-General's 2004 Performance Audit Report.[120]

4.108 However, it should also be noted that the Committee also heard from service providers that the new version of the MDS had not lived up to their expectations in terms of developing a picture of the capacity of services or providing them with increased information and, further, that, because of reporting peculiarities, they believed

[115] NSW Audit Office, *Performance Audit*, *Home Care Service: Department of Ageing, Disability and Home Care*, October 2004, p 31
[116] Ms Janet Milligan, Executive Director, Strategic Policy and Planning, DADHC, transcript of evidence, 25 October 2006, p 9
[117] DADHC, *HACC NSW Unit Cost Benchmarking Study 2005, Service Provider Feedback,* p 2
[118] *ibid*, p 2
[119] *ibid,* pp 2, 3
[120] DADHC submission No 20, p 8

valuable information is being lost from the data base.[121] This would seem to be a challenge for those managing the MDS to address.

Targets and Strategies

4.109 The Auditor-General recommended that, as part of its performance accountability framework, DADHC should specify targets and establish service strategies for special needs groups. Special needs groups were identified in the Auditor-General's Report as:

- people from culturally and linguistically diverse (CALD) backgrounds);
- people from Aboriginal and Torres Strait Islander (ATSI) backgrounds;
- people suffering dementia or other related disorders;
- financially disadvantaged people; and
- frail aged and other disabled people living in remote or isolated areas.[122]

4.110 In the NSW HACC Annual Plan for 2006-07, DADHC notes that 'planning in each region has taken into account the special needs groups within the local population.' Further, Section 5.5.1 of the Annual Plan states that 'New South Wales has developed several strategies to increase access to HACC services for people from special needs groups.'[123] However, while the Annual Plan provides percentage figures indicating the level of service expansion for these groups, it does not specify the strategies or performance targets to be achieved.

Child Safety Checks

4.111 The Auditor-General also made specific recommendations in relation to the need for the development of 'child safe and child friendly' policies and for working with children checks to be conducted for all HCS employees. Ms Jane Tebbatt, Director of Performance Audit, Audit Office of NSW, told the Committee that the recommendation relating to working with children checks for employees working in homes was the only recommendation DADHC did not accept as a result of the Performance Audit. She indicated, however, that the Audit Office thought, at the time, that working with children checks were important for people working in a home where there may be children present.[124] The Audit Office noted that this would require changes to the definition of child-related employment in the *Child Protection (Prohibited Employment) Act 1998*, to include home-based care.[125]

[121] Ms Sharon Blunt, Randwick/Waverley Community Transport, transcript of evidence, 22 September 2006, p 33

[122] NSW Audit Office, *Home Care Service: Department of Ageing, Disability and Home Care*, October 2004, p 33

[123] DADHC, *NSW HACC Annual Plan for 2006-07*, pp 7, 23

[124] Ms Jane Tebbatt, Director of Performance Audit, NSW Audit Office, transcript of evidence, 22 September 2006, pp 32, 33

[125] NSW Audit Office, *Home Care Service: Department of Ageing, Disability and Home Care*, October 2004, p 34

4.112 Ms Claire Vernon, Executive Director of HCS informed the Committee that criminal record checks were introduced in February 2004 for all new staff, and existing staff are also required to notify HCS of criminal records that may affect their employment. However, in relation to working with children checks, HCS is currently meeting with the Commission for Children and Young People to scope out a definition of child-related employment to include home-based care.[126]

CONCLUSION

4.113 The Chapter has canvassed a range of issues and concerns relating to the Home Care Service. Chapter Six outlines possible solutions in response to these matters.

[126] Ms Claire Vernon, Executive Director, Home Care Services, DADHC, transcript of evidence, 25 October 2006, p 9

Chapter Five – Other Relevant Issues

5.1 Other relevant matters brought to the Committee's attention in this inquiry are addressed in this Chapter.

ISSUES RELATING TO ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE

5.2 The Committee learnt that the Aboriginal Community Care Gathering Committee had previously expressed concern about the exclusion of Aboriginal and Torres Strait Islander people from mainstream Home Care Services. During this inquiry, the Committee sought to determine whether this was still the situation.

5.3 Both the Aboriginal Community Care Gathering Committee and NCOSS expressed concern that the Auditor-General's Performance Audit Report did not address the Aboriginal Home Care Service specifically. The Gathering Committee had identified a number of problems regarding the effectiveness of the Home Care Service. These included:

- When calling and finding that there are no service vacancies, Aboriginal people, like others, are told to call back. The Gathering Committee is concerned that Aboriginal people will not and do not call back;
- There are no waiting lists; these are essential for people in need;
- Aboriginal and Torres Strait Islander people are grouped into "other special needs" groups. ATSI people should be identified as ATSI people not "other".
- HCS does not consult with other services.
- ATSI people not identified as community members.
- No accountability for HCS service provision to Aboriginal people. This should not be entirely contained into Aboriginal specific Home Care but should also apply to mainstream HCS.[1]

5.4 NCOSS noted that the problems with Aboriginal Home Care Services 'seem to mirror those of the mainstream service.' It also listed concerns identified by the Gathering Committee regarding Aboriginal Home Care. These were:

- Differing levels of involvement with other HACC services at the local level
- No clear process for the gathering and distribution information from and to local Aboriginal communities. This is especially important during any consultation processes
- Aboriginal HCS responsibility for consultation with the local community is vague
- The role of Aboriginal HCS in general planning processes and planning specifically for Aboriginal service provision is unclear
- Workforce issues: there are too few Aboriginal community care workers to support Aboriginal communities
- The process of referrals by Aboriginal HCS to other local services is difficult. This could result from sometimes poor local coordination.[2]

[1] Aboriginal Community Care Gathering Committee, *Response to the Auditor-General's Report on the Home Care Service of NSW,* p 1
[2] NCOSS, submission No 11, p 12

5.5 NCOSS and the Gathering Committee said that, while there was a need for specific services, it was vitally important for Aboriginal people to have choice between mainstream and culturally specific services. Mr Anthony Gillin, for the Aboriginal Community Care Gathering Committee, also informed the Committee that, although mainstream services had been funded to provide services to Aboriginal people continuously, 'they have not been to our community providing services.' Mr Gillin suggested that promoting better communication between Home Care Services and Aboriginal communities would lead to demonstrable community support for service provision in addition to improved reporting community usage of services through the MDS. [3]

5.6 The importance of cultural awareness was raised earlier in this Report. Ms Jayde Kelly, for the Aboriginal Community Care Gathering Committee, told the Committee about both the importance of cultural awareness training for staff dealing with the needs of Aboriginal and Torres Strait Islander people, as well as the provision of an holistic service that may be obligated to address complex and family issues in their assistance roles.[4] However, Gathering Committee members indicated that they had difficulty in gaining acceptance of the need for funding of an holistic service model from funding providers. Instead, they had to justify to departments what they are doing in relation to service delivery. This became an administrative burden.[5]

5.7 The Eastern Sydney HACC Forum also raised concerns about the expansion of the service delivery area of Alleena Aboriginal Home Care to cover a much larger geographic area. The Forum noted that the expansion had occurred without extra resources and consultation with the sector.[6]

5.8 Ms Pauline Brown, Executive Director, Aboriginal Home Care, told the Committee that the changes only involved reporting arrangements and there had been no decrease in resources as a result.[7] She also commented that consultation had occurred on a range of levels, including a national HACC Aboriginal and Torres Strait Islander reference group, community and government representation and 'regional level and local level Aboriginal Home Care as well as NGOs' in discussing holistic issues regarding Aboriginal communities.[8]

5.9 DADHC and HCS were also criticised for a lack of consultation on their 'Concept Report' developed in February 2006 to reconfigure the service delivery system for Aboriginal people. NCOSS said it was concerned that there had been no consultation with the Aboriginal HACC and community care sectors about the Concept Report, in spite of an Aboriginal Consultation Policy Statement by the Department in 2005.[9] Members of the Gathering Committee gave evidence that, while they had asked staff

[3] Mr Anthony Gillin, Aboriginal Community Care Gathering Committee member, transcript of evidence, 18 October 2006, p 4
[4] Ms Jayde Kelly, Aboriginal Community Care Gathering Committee member, transcript of evidence, 18 October 2006, p 4
[5] Ms June Reimer and Ms Sheree Freeburn, Aboriginal Community Care Gathering Committee members, transcript of evidence, 18 October 2006, pp 6, 7
[6] Eastern Sydney HACC Forum, submission No 17, p 3
[7] Ms Pauline Brown, Executive Director, Aboriginal Home Care, DADHC, transcript of evidence, 25 October 2006, p 10
[8] *ibid*, p 6
[9] NCOSS, submission No 11, p 12

from the Department to speak to the document at the June 2006 Gathering Committee Conference in Dubbo, this did not occur. Ms Sheree Freeburn, representing the Gathering Committee, said that it was aware of changes in the operations of Aboriginal Home Care proposed by the Concept Report. They understood that these changes would involve the reduction of branches from eight to six, which would result in larger areas to be managed, a reduction in staff and further difficulties for Aboriginal people in gaining access to services. These concerns, together with the lack of consultation led to a position where the Gathering Committee felt it could not support the proposed changes, even though 'there might be some good things about it.'[10]

5.10 Ms Carol Mills, Deputy-Director General, DADHC, told the Committee that the Concept Plan was an internal Departmental document designed to achieve objectives of increasing the numbers of people coming into the Aboriginal Home Care System, providing a standardised assessment system for Aboriginal Home Care and clarifying the roles and responsibilities of branch managers. Ms Mills indicated that the Concept Plan remains a working document, upon which discussions have been held with unions about the potential effect of any changes. She said it was not a public document, although at the Gathering Committee Conference in Dubbo:

> … there were a large number of questions about the Concept Plan and we were able to explain some of the background to it, but it has not gone beyond the status of being something to consider in future directions.[11]

5.11 This information notwithstanding, the Committee Chair queried the flawed manner with which discussion around the Concept Report had been managed:

> **CHAIR:** I suppose that takes us back then to the Deputy Director General. The question there from me is: The Gathering Committee said that they requested a briefing and were unable to obtain one. I understand the comments made by Ms Brown, but it just seems to me that considering the specific and special circumstances of the Aboriginal community's needs, that you could not put the concept document out there, but to invite them in for a discussion or briefing would seem appropriate.
>
> **Ms MILLS:** I do not disagree with that. I think the joys of hindsight make it much easier. I think one of the challenges for us was that information, or perhaps more correctly misinformation, about what the Concept Plan was circulating far before we actually anticipated having a broader consultation around it. I would want to say though that we absolutely agree that consultation is critical, and, as Ms Brown said earlier, there were a number of elements of the Concept Plan which had not really been structured. Although we have a four pronged objective for it, most of the initial work focussed on our structural, because that was an immediate issue for us, but certainly we are very eager to have input and consultation around directions for the system, culturally appropriate service delivery and so on.
>
> I have met with the Gathering Committee myself on some occasions, and Pauline [Brown] as well, but it is by invitation to them. What came to me out of that experience is that we need a more structured approach to our regular communication, rather than

[10] Ms Sheree Freeburn, Aboriginal Community Care Gathering Committee member, transcript of evidence, 18 October 2006, p 7

[11] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 25 October 2006, pp 3, 4

> simply being by invitation and I am certainly very keen to remedy that in the near future.[12]

5.11 The Committee also noted Ms Brown's comment that DADHC would welcome the opportunity to talk with the Aboriginal Gathering Committee or be a part of it.[13] This commitment seems to the Committee a valuable step toward improved communication between DADHC/HCS and representatives of Aboriginal and Torres Strait Islander communities, leading to potentially better outcomes for Aboriginal and Torres Strait Islander consumers of HCS services.

COMMUNITY TRANSPORT

5.12 One HACC service identified during the inquiry as not receiving enough priority is community transport. Transport was a problem identified for provision of HACC services in both rural and metropolitan areas.[14] Particular concerns were raised about the flexibility of Community Transport provision for respite and health-related services, and for Aboriginal consumers. Carers NSW said that one the biggest issues of which they are aware, apart from respite care provision, is access to transport services. They indicated that the lack of access to transport can actually negate the effect of respite care provision:

> For instance, if they [carers] are able to access a respite place in a respite home that is an hour's drive away, if they have to spend an hour driving there and an hour driving back to drop the person off and then an hour driving there and an hour driving back to pick them up, that has really significantly reduced the amount of time that they have for respite …[15]

5.13 The Cancer Council was concerned that, although the NSW State Government was about to implement a non-emergency health related transport policy framework (entitled *Transport for Health)*, this policy is not expected to replace HACC community transport schemes and will receive minimal funding. The Cancer Council noted that, as HACC-funded community transport currently receives $26 million annually and demand reportedly exceeds supply, 'clients with illnesses or disabilities will be forced to chase community transport and will be sent from one program to another.' The Cancer Council also expressed concern that people may forgo medical treatment if they are unable to organise adequate, timely or affordable transport.[16]

5.14 Members of the Aboriginal Community Care Gathering Committee also described instances of apparent inflexibility in community transport provision whereby client needs are not adequately taken into account. Ms June Reimer said it was a particular issue for Aboriginal people because 'they do not have transport to begin with.' She outlined a situation in which community transport was booked to take a person to an from a medical appointment:

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[12] Ms Carol Mills, Deputy Director-General, DADHC, transcript of evidence, 25 October 2006, pp 6,7

[13] Ms Pauline Brown, Executive Director, Aboriginal Home Care, DADHC, transcript of evidence, 25 October 2006, p 6

[14] Submission No 5, p 7; Mr Sione Wolfgramm and Ms Vivi Germanos-Koutsounadis, Ethnic Child Care, Family and Community Services Cooperative Limited, transcript of evidence, 25 September 2006, p 22; Macarthur Disability Services, submission No 10, p 3; Sutherland Shire Community Care Network, submission No 15, pp 5, 6; Local Government and Shires Association of NSW, submission No 19, pp 6, 7

[15] Ms Emily Johnson, Policy Officer, Carers NSW, transcript of evidence, 25 September 2006, p 54

[16] The Cancer Council NSW, submission No 14, p 7

> That person does not have any access to transport, but through the appointment they have need of medication. With an Aboriginal service we would stop to pick up that medication for them and maybe milk and bread on the way. With a mainstream service they have got their documentation to take the client from A to B and back to A and there is not intervening stops.[17]

5.15 The Committee understands that such instances of inflexibility in community transport provision were not isolated.

[17] Ms June Reimer, Aboriginal Community Care Gathering Committee member, transcript of evidence, 18 October 2006, p 6

Chapter Six – Toward an Improved Home Care Service

6.1 This Chapter canvasses proposed improvements to HCS and HACC arising from the issues raised in previous Chapters about the Performance Audit Report.

6.2 The Committee notes the important role played by HCS as the largest provider of HACC services throughout the State, the provider of first resort for many consumers, and, in some areas, the only provider of HACC services. It believes that the contribution made by HCS staff is invaluable in terms of delivering services to some of the most vulnerable members of our community. The Committee notes that, during this inquiry, other service providers and consumers have acknowledged the hugely important role of HCS and the professionalism of its staff.

6.3 The Committee provides its findings and recommendations in the belief that these should be regarded by HCS as an opportunity for continuous improvement of its service and administration.

6.4 The Committee acknowledges that the recommendations contained within the Auditor-General's Performance Audit Report were made at a time of considerable change within DADHC and HCS, as DADHC itself noted in responding to that Report. It also believes the Department should be commended for the immediate implementation of measures and the medium term processes it outlined at that time to address the Auditor-General's recommendations. [1]

6.5 However, as the evidence to this inquiry demonstrates, there are instances where the Auditor-General's recommendations were not implemented by DAHDC or HCS in part or in full, or where additional effort could be applied by DADHC and the HCS to bring about service and administrative improvements.

STRATEGIES FOR ADDRESSING UNMET NEED

6.6 In Chapter Three, the Committee recommended strategies for addressing unmet need for the HACC program. The following comments apply specifically to strategies for addressing unmet need within HCS.

6.7 The Committee notes that a waiting list was established for the High Need Pool of HCS clients, that people on the list have been reviewed to determine the currency of their needs and that a prioritisation tool and guidelines for the High Need Pool was implemented from June 2005.[2] The Committee is concerned, however, that, irrespective of the Auditor-General's recommendation proposing maintenance of a HCS waiting list 'for eligible applicants most at risk of not accessing services elsewhere,'[3] there is no publicly available information on the quantum of unmet need within HCS. Also, by the Department's own admission, there is no systematic method of knowing whether a person assessed as eligible but unable to access a HCS service has been able to secure a service elsewhere. The Committee believes that, if other

[1] NSW Audit Office, *Home Care Service: Department of Ageing, Disability and Home Care*, October 2004, pp 8,9
[2] DADHC, submission No 20, p 12
[3] NSW Audit Office, *Home Care Service: Department of Ageing, Disability and Home Care*, October 2004, p 21

HACC service providers commonly maintain waiting lists without these being an onerous administrative burden, HCS should similarly be able to maintain comprehensive waiting lists of people assessed as eligible for a service. The Committee acknowledges that assisting people to access services across the HACC sector is an issue for all service providers, not just HCS.

6.8 While HCS had raised concerns about people being on multiple waiting lists, the Committee felt that this problem could be overcome. When DADHC and HCS have access to unique client identifiers, methodologies could be devised to utilise these identifiers to record eligible clients on waiting lists, transfer them to services when these become available and track clients in receipt of multiple services. The Committee also considered a proposal by NCOSS of supported referrals. The Committee understands this is under consideration by the Commonwealth Government's Community Care Review.

6.9 The Committee does not favour a voucher system to enable eligible consumers to access services on the private market. Such a system could lead to further inequities for already vulnerable people and it will not expand available services. The Committee believes, however, that the concept of service entitlement to allow people with episodic conditions to access HACC services is an idea worthy of further consideration, provided that this occurs in an environment in which service funds are being expanded to meet the requirements of specific needs groups.

6.10 DADHC has made improvements in its annual reporting regarding service delivery by HCS and other HACC providers. The Committee is aware of a range of process improvements in place for the HCS and it is keen to see it participate in DADHC-wide monitoring programs.

RECOMMENDATION 17: That the Home Care Service continue to maintain waiting lists for persons assessed as eligible for a service, but ensure these lists are comprehensive, as a means of quantifying unmet need and assuring that a systematic approach is applied to referral of such persons to services elsewhere.

RECOMMENDATION 18: That, in addition to the maintenance of comprehensive waiting lists, Home Care Service use unique client identifiers to ensure that clients assessed as eligible but unable to immediately access a service do not fall thorough cracks in the system but are identified and able to be contacted periodically to determine if service needs have changed.

RECOMMENDATION 19: That DADHC, in consultation with the HACC services sector, further examine the concept of service entitlement as a means of allowing people with episodic conditions to access HACC services, provided such an entitlement process occurs in an environment in which service funds are being expanded to meet the requirements of specific needs groups.

RECOMMENDATION 20: That DADHC, in consultation with service providers and consumers, participate in the review of access points in the community care system.

STRATEGIES FOR IMPROVING ACCESS TO HCS SERVICES

The Referral and Assessment Centre

6.11 The Committee appreciates that HCS's Referral and Assessment Centre (RAC) faces considerable demands because, although intended as the intake point for HCS only, it was now regarded as the *de facto* intake point for HACC services, statewide. The benefit of this is that it enables the RAC to be in a commanding position in terms of developing a comprehensive body of knowledge and skilled staff with an understanding of services, service types and needs. The Committee feels that it is incumbent upon the RAC, in its pre-eminent role, to be fully aware of local service types and their service capacities and issues.

6.12 The Committee does not believe that the RAC can, responsibly, merely provide people assessed as eligible but unable to obtain a HCS service with a Commonwealth Carelink telephone number. In no way can such action be regarded as 'referral', and the evidence suggests that all this achieves is to cast vulnerable individuals adrift in an unfamiliar bureaucratic sea, not knowing who to contact for a service or how, and only the extremely lucky, well-informed or persistent will succeed. The Committee believes that, if RAC staff are unaware of the extent of locally available services and issues, they should become engaged with local community care networks and remain involved on an ongoing basis to consult and share information.

6.13 However, the Committee believes that there are also indications that the RAC needs to be more responsive to the needs of those making contact. For instance, it is important to increase the number of calls answered by a human being rather than an answering machine and to reduce waiting times. People assessed as eligible must be provided either with contact details of other local HACC services or with a supported referral.

6.14 The Committee also believes that the RAC assessment tool needs to be immediately changed to better accommodate carers' needs. The two questions currently used in the RAC functional screening tool are not sufficient to identify carers' needs nor how they should be addressed through the provision of HACC services. This current practice may explain why carers are statistically underrepresented in NSW HACC statistics. The Committee believes that, as a legitimate target group of the HACC program, carers' eligibility for services should be fully supported by HCS and the RAC. The best way is for HCS and the RAC to develop a process for better responding to the needs of carers, in consultation and partnership with groups representing carers. The Committee considers that the assessment tool, as amended, may also need to be regularly reviewed in the light of consumer feedback, to ensure it is addressing the needs of other special needs groups.

6.15 The Committee is also pleased to note that both DADHC and NCOSS referred to the planned development of new assessment tools, which could similarly offer better approaches for ensuring that the needs of individuals assessed by the RAC. The Committee suggests that any such tools are developed in consultation and partnership with stakeholders in the field, drawing upon their particular knowledge and skills.

6.16 The Committee acknowledges that telephone screening can become an impersonal process, remote from the everyday issues and challenges of the individuals it serves.

To address this problem, HCS needs to regularly monitor the effectiveness of its RAC intake and assessment processes.

6.17 While the Committee notes comments and concerns arguing for more face-to-face assessments, it believes that this is a judgement best made by administrators in the light of information emerging from the monitoring processes referred to above and consultations with stakeholders in the field.

RECOMMENDATION 21: That HCS management work together with the Referral and Assessment Centre to continue to improve the responsiveness of the RAC to the needs of those making contact, maximising human contact and ensuring people assessed as eligible for a service are provided either with contact details of other local HACC services or with a supported referral. Business proposals and staff training should be amended as a result.

RECOMMENDATION 22: That HCS management, together with the Referral and Assessment Centre staff, and in consultation and partnership with stakeholder groups

(a) continue to participate in the development of appropriate assessment tools to accommodate carers' needs; and

(b) regularly review assessment tools to ensure they are appropriately addressing the needs of all special needs groups.

RECOMMENDATION 23: That HCS management and Referral and Assessment Centre staff regularly monitor the effectiveness of RAC intake and assessment processes.

Ensuring Universal Access

6.18 The Committee was perturbed at evidence presented indicating that people may be refused HCS service based upon prejudice, or the belief that their conditions were too difficult to handle. The Committee urges HCS to investigate any such reported instances and to improve staff and volunteer training in this regard.

RECOMMENDATION 24: That HCS management investigate instances of refusal of services to consumers based upon prejudice, misconception or fear about their lifestyles or conditions and improve staff and volunteer training in this regard.

Addressing the Full Range of Needs

6.19 While the Committee considered evidence about whether the effect of HCS 'quarantining' the High Need Pool might jeopardise current or new entrants with emerging intensive needs, it cannot form an opinion on whether this approach could adversely impact service provision capacity. DADHC representatives were emphatic that the majority of HACC clients in NSW are in receipt of very low levels of support, while other stakeholders presented an opposing view. The Committee believes that, once HCS maintains comprehensive waiting lists, this information, together with other sources currently available, will enable a more complete view of the service provision capacity or burden faced by HCS. The Committee urges HCS to adopt the measures as recommended in order to ensure that the full range of needs are known and able to be met, now and into the future.

Need for Service Exit Policy

6.20 In response to the Auditor-General's recommendation for a service exit policy, the Committee notes DADHC's response that a standardised policy for the discontinuation of service was implemented in July 2005. While this is welcomed, the Committee also notes DADHC's comment that there is, as yet, no standardised process in place for reassessment of individuals whose needs change. The Committee believes that such a process is vital, particularly in light of the above discussion, so that HCS can gain a clear understanding as to whether current clients in the service system may have emerging intensive needs. An equally important consideration is that clients with low level needs who, on reassessment, no longer require a service or whose needs can be better served by another provider can be offered the opportunity to exit the service. The Committee's concern is that, without that standardised reassessment process, the HCS service logjams identified by the Auditor-General and in evidence presented to this inquiry will continue indefinitely. The Committee also notes that the Commonwealth Government's Community Care Review objectives are relevant in this regard. Irrespective of the outcomes of that Review, the following recommendation is prudent for the good management of HCS.

RECOMMENDATION 25: That HCS management implement a standardised process for the reassessment of consumers of HCS services whose needs may have changed. This will provide better consumer responsiveness as well as ensuring that new service places can be provided, as appropriate.

Need for Client Fees Policy

6.21 The Committee is somewhat concerned that, although the NSW Government had undertaken some work on a client fees policy for HACC and aspects of this are also being addressed through the Commonwealth Government's Community Care Review, there is still no client fees policy in place for HCS, in spite of the Auditor-General's 2004 recommendation in this regard. Because of the high proportion of HACC service consumers on fixed incomes, the Committee is pleased that the NSW Government has taken a strong position and has been recognised for its role in seeking to protect the access of people on low incomes to HACC and other community care services and ensuring they are not financially disadvantaged by their use of such services. However, in relation to HCS, it believes it is important to expedite the introduction of a client fees policy to ensure that inherent unfairness is not built into that service system.

RECOMMENDATION 26: That HCS management expedite the implementation of a client fees policy for the service, in order to appropriately address capacity to pay, to overcome the problem of inherent unfairness where clients on similar incomes and receiving similar services are paying different fees and to allow automatic indexing of fees.

Clarifying the Role of HCS in the Community Care Continuum

6.22 Further to the Auditor-General's recommendation that DAHDC should reconsider and clarify where HCS sits in the community care continuum, Ms Carol Mills, Deputy Director-General, DADHC, provided an impassioned and critical explanation of the importance of HCS as a service provider and DADHC's understanding of the need for separation of service provider, administrator and funding roles. As noted earlier in this report, the Committee believes that HCS's service provision role has been historically

important and remains so. The Committee believes that, because of its multiple roles, it will be critically important for DADHC to ensure, on an ongoing basis, that transparency and accountability are paramount in relation to each of these roles and, accordingly, that HCS is subject to the same accountability standards and procedures required of all other HACC service providers. The Committee notes that this concern was shared by several organisations making submissions to the inquiry. Because of the potential for ongoing concern from stakeholders regarding DADHC's multiple roles, the Committee also believes that DADHC would benefit from clarifying the place of HCS in the community care continuum, as recommended by the Auditor-General.

RECOMMENDATION 27: That, in recognition of its multiple roles in relation to the HACC program of administrator, funder and provider of services, DADHC ensure the highest degrees of transparency and accountability for the separation of these roles and, accordingly, that DADHC ensure that the Home Care Service as a service provider is subject to the same standards and processes of accountability as required by the Department of other service providers.

IMPROVING CONSUMER INPUT TO HCS

6.23 The Committee notes that the Auditor-General made no recommendations regarding the role of consumer representatives on the Home Care Service Advisory Board, possibly because the Board had not operated throughout 2002 and 2003, while HCS made the transition to a business stream of DADHC. The Auditor-General had noted that DADHC reinstated the Home Care Service Advisory Board in 2004 under a new charter.

6.24 The Committee suggests that an important consideration for HCS is the need for it to take a step back from its strong focus on the HCS pool of clients and more globally consider the manner in which it addresses and responds to consumers, who are, after all, potential HCS clients. The Committee urges HCS to formally identify consumer representative positions on the Home Care Service Advisory Board. It also believes that there needs to be a supported process by which consumer input and issues are brought before the Board for consideration and by which feedback can be provided to consumer organisations. As the Committee heard in evidence, this information could include that provided through local HCS branches and community care networks as well as through analysis of consumer/client surveys and complaints data.

6.25 The Committee also supports the suggestion of a carer representative on the Home Care Service Advisory Board as one mechanism for the direct representation of carers' interests and potentially through that process to influence the greater take-up by carers of HACC services.

6.26 While the Committee notes DADHC's progress on the Auditor-General's recommendations in terms of introduction of a Client Services Policy and conduct of 'customer satisfaction surveys', it does believe that the Auditor-General's recommendation for surveys of unsuccessful RAC applicants need to be routinely undertaken. As indicated above, the Committee believes it is important for HCS to understand how it may better respond to service consumers, including clients, potential clients and discouraged clients in a greater way than the current, limited approach.

6.27 The Committee is concerned, as were several parties in this inquiry, that HCS clients may be unwilling to complain about an unsatisfactory service for fear of losing that service. HCS reliance on service complaint data alone as a measure of client satisfaction needs to be treated with caution. It is also unclear to the Committee from DADHC's response as to how HCS routinely analyses service wide complaint data to identify and respond to systemic issues. The Committee believes this process needs to be clarified and, as suggested above, one mechanism for analysis would be to provide such information to the HCS Advisory Board for deliberation and comment.

RECOMMENDATION 28: That HCS formally identify consumer representative positions on the Home Care Service Advisory Board.

RECOMMENDATION 29: That HCS implement a supported process by which consumer input and issues are brought before the HCS Advisory Board for consideration and by which feedback can be provided to consumer organisations.

RECOMMENDATION 30: That HCS support the appointment of a carer representative to the Home Care Service Advisory Board.

RECOMMENDATION 31: That, as part of better responding to consumer issues, HCS routinely survey unsuccessful RAC applicants as part of its consumer satisfaction surveys.

RECOMMENDATION 32: That HCS clarify how it routinely analyses service wide complaint data to identify and respond to systemic issues and, as part of its analysis and response process, make service wide complaint data available to the Home Care Service Advisory Board.

SYSTEMS AND PROCESSES FOR SERVICE IMPROVEMENT

6.28 The Committee notes that DADHC has made a range of improvements to the public reporting of performance through its annual reports. However, the Committee believes that there is room for significant improvement in reporting of service outcomes. In particular, where service targets are accepted, HCS does need to provide a public explanation when performance falls substantially short of those targets, such as the case of HCS's underspending and shortfall in projected service hours. The Committee believes that performance reporting needs to include specification of strategies and performance targets for service expansion to special needs groups. The Committee notes that only summary information in this regard is available in the 2006-07 HACC Annual Plan. The Committee notes that annual reporting performance should comply with the relevant Premier's Memoranda and Treasury Guidelines.

6.29 The Committee notes that DADHC has partially implemented the process of establishing timeframes for the completing of assessments and commencement of services for HCS. It notes the intent for these to be monitored in the client information system. The Committee also believes the outcomes should be publicly reported.

6.30 The Committee believes that HCS needs to expand the range of monitoring processes in place beyond that of unit costs. It is concerned that HCS has not implemented a regular program of assessing the quality of HCS services in the home, as was recommended by the Auditor-General. The Committee considers this is an important measure that could help inform HCS quality management processes, provide an

independent level of quality assurance for consumers and provide a counterbalance to purely economic information about service hours and costs.

6.31 The Committee also believes that HCS would benefit from application of the Auditor-General's recommendation to develop measures of effectiveness to monitor the impact of services to determine what impact home-based care has on assisting people to remain living at home for longer than if those services were unavailable. While acknowledging the significant challenge inherent in this task, the Committee believes that the eventual results will have extensive implications to assist Government in understanding the extent of value-for-money provided by the service.

6.32 Having noted the results of the HACC Benchmarking Study and found that the range of service costs are too broad to be useful, the Committee believes that, should further work be undertaken, DADHC will need to ensure that services are differentiated according to type and location, as envisaged by the Auditor-General's recommendation, in order for benchmarking of service costs to have useful application.

RECOMMENDATION 33: That DADHC and HCS add to the reporting of performance in annual reports by reporting on service outcomes and, in particular, performance targets and service strategies for special needs groups and also report publicly on under-performance.

RECOMMENDATION 34: That HCS implement a regular program of assessing the quality of HCS services in the home.

RECOMMENDATION 35: That HCS develop measures of effectiveness to monitor the impact of services to determine what impact home-based care has on assisting people to remain living at home for longer than if those services were unavailable.

RECOMMENDATION 36: That, should further work be undertaken on the HACC benchmarking study, DADHC seek to ensure that services are differentiated according to type and location.

Risk Management – Working With Children Checks

6.33 In order to ensure that HCS can respond comprehensively to the management of risks, the Committee considers that HCS should expedite implementation of the Auditor-General's recommendation relating to the development of 'child-safe and child-friendly policies and procedures and working with children checks, and that a schedule for the completion of these checks be developed for home care workers in homes where children are present or likely to visit. In this regard, the Committee acknowledges there needs to be a change of definition of child-related employment under the *Child Protection (Prohibited Employment) Act 1998* to include home-based care.

RECOMMENDATION 37: That the Minister for Community Services consider amending the definition of child-related employment in the *Child Protection (Prohibited Employment) Act 1998* to include home-based care.

RECOMMENDATION 38: That, once the relevant legislation is changed, HCS expedite the implementation of the Auditor-General's recommendation relating to the development of 'child-safe and child-friendly policies and procedures and working with children checks', and

that a schedule for the completion of these checks be developed for home care workers in homes where children are present or likely to visit.

OTHER RELEVANT ISSUES – ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE

6.34 In relation to particular concerns raised during the inquiry about the management and delivery of HCS services to Aboriginal and Torres Strait Islander people, the Committee believes that there is a need for DADHC and HCS to pay particular attention to ensure that there is adequate and appropriate communication between DADHC/HCS and the Aboriginal Community Care Gathering Committee about processes for service planning and provision for Aboriginal and Torres Strait Islander people now and into the future. The Committee is pleased that DADHC has acknowledged the need for a more structured approach to communication with the Gathering Committee. The Committee hopes that such communications will include discussion about provision of community care in mainstream and Aboriginal-specific settings, about ways of incorporating holistic and flexible solutions and about processes for improved management training and support for Aboriginal community care workers.

RECOMMENDATION 39: That DADHC and HCS ensure that there is adequate and appropriate communication between themselves and the Aboriginal Community Care Gathering Committee about processes for service planning and provision for Aboriginal and Torres Strait Islander people now and into the future.

OTHER RELEVANT ISSUES – COMMUNITY TRANSPORT

6.35 In closing this report, the Committee notes that the issue of the availability and flexibility of community transport was one which was repeatedly identified as one of concern. It also notes that community transport features as an identified target for service expansion in the 2006-07 HACC Annual Plan, although the percentage targets vary widely across special needs groups. The Committee suggests that the issue of community transport availability and flexibility is one that DADHC may wish to examine and monitor closely to identify where improvements can be achieved.

RECOMMENDATION 40: That DADHC examine and monitor the provision of community transport for instances where its availability and flexibility could be improved and make program/project changes accordingly.

Chapter Six

Appendix One – List of Submissions

The Committee received submissions from the following individuals and organisations.

1. **Councillor Jan Kennedy, Wakool Shire Council**
2. **Central West Community Care Forum Inc.**
3. **Ethnic Child Care Family & Community Services Co-op Ltd**
4. **Alzheimer's Australia NSW**
5. **Gunnedah Shire Council**
6. **Miranda District Neighbour Aid Management Committee**
7. **Aged & Community Services Association of NSW & ACT Incorporated**
8. **NSW Meals on Wheels Association Inc.**
9. **Gosford City Council**
10. **Macarthur Disability Services Ltd.**
11. **Council of Social Service of NSW (NCOSS)**
12. **NSW Carers Australia**
13. **Inner South-west Community Development Organisation**
14. **The Cancer Council of NSW**
15. **Sutherland Shire Community Care Network**
16. **Northside Community Forum Inc.**
17. **Eastern Sydney HACC Forum**
18. **Member for Bligh**
19. **Local Government Association and Shires Association of NSW**
20. **The Hon John Della Bosca MLC, Minister for Commerce, Minister for Finance, Minister for Industrial Relations, Minister for Ageing, Minister for Disability Services (DADHC Submission)**

Appendix Two – List of Witnesses

Friday, 22 September 2006

Organisation	Witnesses
Department of Ageing, Disability and Home Care	Ms Carol Mills Deputy Director-General Ms Janet Milligan Director Service Delivery and Planning Ms Claire Vernon Director, Home Care
Council of Social Service of NSW	Ms Michelle Burrell Acting Director Ms Christine Regan Senior Policy Officer
NSW Audit Office	Ms Jane Tebbatt Acting Assistant Auditor-General Mr Tony Whitfield Deputy Auditor-General
Alzheimer's Association	Ms Kristina Vesk Manager, Corporate and Community Relations

Monday, 25 September 2006

NSW Local Government and Shires Associations	Ms Esther-Tina McGrath Senior Policy Officer Cr Julie Hegarty Local Government Association Cr Chris Manchester Shires Association
Sutherland Shire Community Care Network	Ms Melinda Paterson HACC Development Officer Ms Helen Ivory Coordinator Cronulla Neighbour Aid
Ethnic Child Care, Family and Community Services Cooperative	Ms Vivi Germanos-Koutsounadis Executive Director Mr Sione Wolfgramm Co-ordinator, EPDP Ms Elen Gore Co-ordinator, ESMAP

	Ms Deirdre Freyberg Project Officer, EPDP
Eastern Sydney HACC Forum	Ms Chris Bath HACC Development Officer Ms Ada Cheng Ms Jackie Campisi Ms Barbara Kelly Ms Sharon Blunt Forum Members
Aged and Community Services Association of NSW and ACT	Mr Paul Sadler Chief Executive Officer Ms Pauline Armour Chair Mr Paul Johnson Policy Officer
Carers NSW	Ms Kathy Wood Acting Chief Executive Officer Ms Sally O'Loughlin Policy and Research Team Leader Ms Emily Johnston Policy Officer Ms Sheree Freeburn Aboriginal Carer Co-ordinator

Wednesday, 18 October 2006

Organisation	Witness(es)
Community Care Gathering Committee	Ms Sheree Freeburn Ms Jade Kelly Ms June Reimer Mr Anthony Gillin Ms Nicole Winters

Wednesday, 25 October 2006

Organisation	Witness(es)
Department of Ageing, Disability and Home Care	Ms Carol Mills Deputy Director-General Ms Janet Milligan Director Service Delivery and Planning

	Ms Claire Vernon Director, Home Care
	Ms Pauline Brown Regional Director Statewide Aboriginal Unit

Appendix Two

Appendix Three – DADHC's Response to Performance Audit Report and Committee Comments

Recommendation 1	**Reconsider and clarify where HCS should sit as a provider of home care services in the community care continuum**
Management Response:	The position on the role of the HCS as a provider in the community care continuum has been determined by the Executive. HCS will provide services based on a targeted service type mix that will assist frail aged persons and younger persons with a disability and their carers.
Current Status	Implemented
Committee Comment	DADHC should clarify the place of HCS in the community care continuum, as recommended by the Auditor-General. Because of its multiple roles, DADHC also needs to ensure that transparency and accountability are paramount and that HCS is subject to the same accountability standards and procedures as other HACC service providers.
Recommendation 2	**Develop eligibility criteria that direct resources to those most in need, based within the boundaries set for HCS services and aligned to resource levels**
Management Response:	Intake guidelines have been developed for implementation in 2006.
Current Status	Implemented
Committee Comment	The Auditor-General framed this recommendation in relation to unmet need in HCS. HCS must maintain a waiting list, both to quantify unmet need and to assuring a systematic approach for referral of consumers elsewhere. Unique client identifiers may help this process and other processes such as service entitlement and supported referral must be explored to ensure people in need of a service do not fall through cracks in the system.
Recommendation 3	**DADHC develop a HCS exit policy and a process of referral to other care programs**
Management Response:	A policy on client reviews was implemented from July 2005. The policy standardises the client review process and sets out the conditions for discontinuation of service. In addition, greater emphasis has been given to referral of clients whose needs exceed the capacity of the HACC Program as networks have been utilised at a regional level with health and allied professionals, as well as Carelink, assisting clients to transition to other programs. Information is collated on the reason for service discontinuation at a broad level. It is planned that a new Client Information System due for implementation in 2006/07 will provide more detailed reporting including the outcome of client reviews.
Current Status	Implemented
Committee Comment	DADHC told the Committee there is no standardised approach in place to reassess the needs of an individual whose needs have changed. This is required so that there is better consumer responsiveness and so that new service places can be provided.
Recommendation 4	**DADHC refer applicants assessed as eligible to alternative providers where HCS cannot meet their needs**
Management Response:	The regions have established closer links with Carelink and other referrers by the provision of information on capacity at regional HACC forums and to other local groups. In addition, the Referral Assessment Centre and branches facilitate the referral of clients to other programs where appropriate. The new Client Information System will enable reporting on where referrals have accrued.
Current Status	Implemented

Committee Comment	The RAC needs to improve its responsiveness to consumers as well as better links with and referral to other local HACC services where HCS cannot assist. Reliance upon and referral only to Carelink is not an adequate response.
Recommendation 5	**DADHC maintain a waiting list for eligible applicants most at risk of not accessing services elsewhere**
Management Response:	A waiting list is established for the High Need Pool and the persons on the list have been reviewed to determine currency of need. A prioritization tool and guidelines for the High Need Pool was implemented from June 2005. Consideration will be given to a waiting list for other clients requiring high levels of service.
Current Status	Implemented
Committee Comment	A comprehensive waiting list is required for HCS as well as analysis of unmet need arising where people in need are unable to access a service, leading to appropriate program and service responses.
Recommendation 6	**DADHC introduce a standard approach for HCS regularly conducting client reviews that assess individual need and satisfaction with services.**
Management Response:	The Client Review Policy implemented from July 2005 standardises the client review process. The review focuses on the needs of the client and the update of client information records. The results of the review are recorded. It is planned that a new Client Information System due for implementation in 2006/07 will provide reporting on the outcome of client reviews. Feedback on the satisfaction of service is undertaken through a different process.
Current Status	Implemented
Committee Comment	The Auditor-General's recommendation included both the annual client review and client satisfaction surveys. All client review processes need to be better linked to service design and improvement processes.
Recommendation 7	**HCS routinely analyse service wide complaint data.**
Management Response:	The Client Relations Officer analyses the complaints received and provides quarterly reports on issues raised by clients. The feedback from clients is used to improve information available on the Home Care Service or used to inform the development or revision of policy. The DADHC internet site has a series of frequently asked questions that reflects the information requests of clients.
Current Status	Implemented
Committee Comment	HCS needs to clarify how it routinely uses service wide complaint data to identify and respond to systemic issues and refer results through the HCS Advisory Board for deliberation and comment.
Recommendation 8	**DADHC:** • **Improve HCS customer satisfaction survey and sampling methods** • **Sample unsuccessful RAC applicants as part of the satisfaction survey**
Management Response:	A client satisfaction survey was undertaken by an independent company in May 2006. The telephone survey asked two open-ended questions. Both clients and carers were included in the survey. Unsuccessful applicants were not included in the survey sample as the survey focussed on satisfaction of services received.
Current Status	Partially Implemented
Committee Comment	HCS must routinely survey unsuccessful RAC applicants as part of its consumer satisfaction surveys and use the data to inform service design and improvement.

Recommendation 9	**DADHC conduct a regular program of assessing the quality of services in the home**
Management Response:	The Department intends to conduct annual client satisfaction surveys. The most recent survey conducted in May 2006 assessed client satisfaction with the services. The Department has developed a quality assurance framework for assessing all service providers' quality standards, including Home Care Service. All service providers will be assessed on a regular basis. Home Care has developed and issued a good practice guide that covers a range of key aspects of quality service.
Current Status	Implemented
Committee Comment	The responses as outlined are insufficient. HCS needs to implement a regular program of assessing the quality of services in the home, as recommended by the Auditor-General.
Recommendation 10	**DADHC define resources, service types, service level targets, and key performance indicators, and assign accountabilities in the business plan**
Management Response:	The funding provided to the Home Care Service through the HACC program defines the service mix to be delivered by the regions. Improvements to the reporting on performance by Home Care have been made with monthly reporting to the executive on performance. In addition, the public reporting of performance through the DADHC Annual Report details budget expenditure and service outputs as well as achievements. Improvements to the DADHC budget process occurred in 2004/05 and further improvements made in 2005/06 ensured proposed service delivery are realigned with referral numbers and staffing resources.
Current Status	Implemented
Committee Comment	Reporting on service outcomes and, in particular, performance targets and service strategies for special needs groups needs to be improved. Annual reporting needs to comply with the relevant Premier's Memoranda and Treasury Guidelines.
Recommendation 11	**DADHC develop measures of effectiveness to monitor the impact of services**
Management Response:	The Home Care Service conducted a Client Satisfaction survey May 2006 that sought feedback from clients regarding their opinion of the effectiveness of Home Care in maintaining their independence in the community.
Current Status	Implemented
Committee Comment	Self-reporting by clients is not considered an adequate measure of the effectiveness of HCS in maintaining the independence of consumers. HCS needs to develop measures of effectiveness to monitor the impact of services to determine the impact of home-based care on assisting people to remain living at home for longer than if those services were unavailable.

Recommendation 12	**DADHC analyse HCS costs to:** • **Develop detailed cost profiles for services that differentiate the cost of services based on type and location** • **Benchmark the cost of services with other providers**
Management Response:	The Department completed a HACC Unite Cost Benchmarking Project. Home Care was included in the project. Home Care has cost profiles for services. Data on the cost of service by service type and branch is available through the new SAP Financial Information System. Branches use this information to monitor costs. Home Care has not benchmarked its costs against other providers as the information is not available to Home Care. Direct comparisons with other organisations may be misleading as the business models in some non government organisations include the use of volunteers. The client profile may also differ which would result in different service levels that impacts on the cost of service.
Current Status	Implemented
Committee Comment	HCS monitoring needs to expand beyond a focus on unit costs to regularly assess service quality. If further benchmarking is to be undertaken on service costs, there must be service differentiation by type and location, as recommended by the Auditor-General, in order for outcomes to have useful application.
Recommendation 13	**DADHC develop and implement a HACC fees policy. The policy should allow automatic indexing of fees**
Management Response:	Home Care has commenced the development of a standardised fee. A pilot of the various operational aspects of a fee policy has commenced.
Current Status	Substantially Implemented
Committee Comment	There is not, however, a client fees policy in place for HCS. This needs to be expedited in order to overcome inherent unfairness.
Recommendation 14	**DADHC report publicly on HCS operations and performance against the business plan**
Management Response:	The 2003/04 and 2004/05 DADHC Annual Report contains significantly more detail on the HCS than the 2002/3 Annual Report. The Annual Reports includes details of achievements during the year, expenditure and statistics on clients.
Current Status	Implemented
Committee Comment	The additional detail is welcomed, however, as noted above, annual reporting needs to comply with the relevant Premier's Memoranda and Treasury Guidelines.
Recommendation 15	**DADHC establish standard timeframes for HCS completing assessments and commencing services, and monitor against these**
Management Response:	Performance standards have been set for the completion of assessments and are monitored on a monthly basis. Additional resources have been allocated to assist in the achievement of the performance standards. Timeframes have been set for commencement of service and these will be monitored in the Client Information System.
Current Status	Partially Implemented
Committee Comment	Progress is noted, and outcomes of results of assessments and commencement of services should be publicly reported.

Recommendation 16	**DADHC as part of the HCS performance accountability framework specify targets and establish service strategies for special needs groups and monitor HCS's performance against these targets and strategies**
Management Response:	The Department through the HACC State Plan sets service targets and provides targeted resources for special needs groups within service types. The 2004/05 Annual Report provided data on the age of clients and ethnic background of clients. The Aboriginal Home Care region addresses the specific needs of Aboriginal and Torres Strait Islanders.
Current Status	Implemented
Committee Comment	Only summary information has been provided in this regard. Greater detail is required.
Recommendation 17	**DADHC:** • **Continue to require all new HCS employees to undergo a criminal record check** • **Conduct a criminal record check of all existing HCS employees** • **Develop in conjunction with the Commission for Children and Young People (CCYP) "child safe and child friendly" policies and procedures fro HCS employees working with children.** **The Minister for Youth amend the definition of child-related employment in the *Child Protection (Prohibited Employment) Act 1998* to include home-based care.**
Management Response:	Criminal Record Checks are being conducted for all new appointments or promotions for current staff. Criminal record checks are to change from a state based process to a national process (CRIMTRAC). Businesslink and the NSW Police Criminal Records Unit will advise on the transition to CRIMTRAC In relation to current HC staff the option of a clear record declaration was investigated and considered not feasible. Most recent contact with CCYP has confirmed that HC Workers do not fit the definition for performing mandatory WWC checks, nor is the CCYP in the position to perform these checks in the foreseeable future.
Current Status	Partially Implemented
Committee Comment	Although there is a need to change the of definition of child-related employment in the legislation to include home-based care, HCS still needs to expedite implementation of the Auditor-General's recommendation on the development of 'child-safe and child-friendly policies'.