

Public Accounts Committee

Parliament of New South Wales

**Report on the
Home Care Service of
New South Wales**

1987-88

Parliament of New South Wales

Public Accounts Committee of the Forty-eighth Parliament

Thirty-second Report

Inquiry pursuant to Section 57 (1) of the Public Finance and Audit Act, 1983, concerning the Home Care Service of New South Wales.

(Transcripts of Evidence tabled together with this Report.)

July 1987

70625-17542--1

MEMBERS OF THE PUBLIC ACCOUNTS COMMITTEE

The members of the Public Accounts Committee are **Mr John Murray, M.P.,** Chairman

John Murray, formerly a teacher, was elected Member for Drummoyne in April, 1982. An Alderman on Drummoyne Council for three terms, John Murray was Mayor of the Council for five years and served four years as Councillor on Sydney County Council. He is currently a member of the House Committee.

Dr Andrew Refshauge, M.P., Vice-Chairman

Andrew Refshauge was elected as Member for Marrickville in October, 1983. He previously practised as a medical practitioner with the Aboriginal Medical Service and was a past President of the Doctors' Reform Society. He is currently a fellow of the Senate of the University of Sydney.

Mr Colin Fisher, M.P.

Colin Fisher was elected Member for Upper Hunter in February, 1970. Former Minister for Local Government (1975) and Minister for Lands and Forests (1976), in opposition Colin Fisher has served as National Party Spokesman on Local Government, on Planning and Environment, and on Energy.

Mr Phillip Smiles, M.P.

Phillip Smiles was elected Member for Mosman in March, 1984. A management and marketing consultant since 1974, Phillip Smiles has been involved with entrepreneurial business activities since his teens. Since entering Parliament he has been actively interested in the areas of small business, emergency services, welfare and financial analysis.

Mr Allan Walsh, M.P.

Allan Walsh was elected Member for Maitland in September, 1981. Following eight years as a Mirage Fighter pilot with the RAAF, he was involved in business management. Allan Walsh has also taught industrial relations, management and history at technical colleges.



Committ. Member-. From left: Andrew Refshauge (Vice-Chairman), Phillip Smi~es, Colin Fisher, John Murray (Chairman), Allan Walsh

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CHAIRMAN'S FOREWORD

The Home Care Service of New South Wales is the largest community welfare organisation of its type in New South Wales. From what

was effectively three branches in 1946 - Sydney, Newcastle and Wollongong - the Service now operates from some 165 branches spread throughout the State. Funding has also increased substantially, from a total budget of almost \$13 million in 1951-82, to some \$57 million in 1986-87.

The Committee welcomes the reference from the Minister for Youth and Community Services, Mr John Aquilina, to inquire into the administration and operation of the Home Care Service. This inquiry provided a further opportunity to review the overall activities of a single organisation which fell within the Committee's framework of reviewing the operations of Statutory Authorities. Interestingly, the Home Care Service although technically a Statutory Authority, is not subject to a legislative framework typical of other statutory organisations.

At a time when there are increasing demands on nursing home facilities and a greater proportion of the population is elderly, the Home Care Service is able to assist the family and individual in times of illness, incapacity or crisis, by providing high quality assistance in the home and thereby preventing a move to institutional care. It is essential that Home Care services, which represent a lower cost alternative, are provided in the most efficient and effective manner.

It is however, important to realise that the Home Care Service receives in excess of 90% of its total budget from the Commonwealth and State. This substantial Government financial support to the organisation imposes a requirement to ensure that funds are spent in the most economical manner and are achieving value for money for the taxpayer in general and also for those who are clients of the Service.

The Committee has recommended a number of changes which will, I believe, clarify the existing service structure and at the same time, provide for greater external control and review of future organisational changes.

The Committee considers that a Statutory Authority is the most appropriate structure through which the Home Care Service should operate. The Committee does, however, believe there is scope to strengthen and increase the current legislative framework to provide for increased Parliamentary and public scrutiny of the organisation.

A primary consideration for the Service is to ensure that available resources are allocated to achieve maximum benefit and satisfy the greatest amount of community need. Whilst the Service has taken some action in recent years in reviewing the allocation of resources, the Committee believes this has not gone far enough. It is obvious that the number one priority for the Service in the next 12 months is to provide for a more equitable distribution of resources throughout the State. Implementation of this recommendation and others within this Report will, I believe, significantly enhance the efficiency of the Service.

The Committee is most conscious of the dedication and commitment of Home Care Service staff and wishes to express its appreciation for the assistance provided by all levels of staff during the conduct of this inquiry.

Finally, I would like to thank the Committee's staff for their work during this inquiry. In particular, I would like to extend thanks to Kim Garvey for her excellent contribution to the inquiry and for drafting the Report.

JOHN MURRAY, M.P.

CHAIRMAN

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1. SUMMARY AND RECOMMENDATIONS

- 1.1. In October 1986, the Minister for Youth and Community Services, Mr John Aquilina requested the Public Accounts Committee to inquire into the administration and operation of the Home Care Service of New South Wales having regard to changes currently being implemented within the Service. In particular, the Minister requested the Committee to examine issues which related to the appropriateness of the structure and management of the Service to the most effective and efficient delivery of services to clients. The Minister also sought any recommended changes to the organisation's structure and operations which would increase its overall efficiency and effectiveness. (Refer Section 2.1)
- 1.2. This Report includes recommendations which can improve the *structural* and operational effectiveness of the Home Care Service to ultimately improve the delivery of client services *throughout* the State.

Organisational Structure

- 1.3. The role of an Executive Board is to implement the policy directives of Government by formulating programs which are designed to achieve the overall goals of the organisation. The Committee is however concerned at the actual size of the Home Care Service Executive Board and considers *that* the numbers participating in Board decision-making could be excessive.
- 1.4. The Committee, therefore, recommends that the size of the Executive Board be reduced but that composition of the Board should maintain an appropriate client group representation. (Refer to Section 4.7)

- 1.5. The Committee was concerned at the absence of Government review mechanisms which could be applied to the Home Care Service. The Committee is firmly of the view that in order to provide greater scope for review of the Home Care Service operations and to improve the overall accountability of the organisation, the Home Care Service should be subject to similar review mechanisms by the Public Service Board as are other Public Service Departments and Statutory Authorities. Accordingly, the Committee recommends that the Home Care Service be included within Schedule 3 of the Public Service Act, 1979. (Refer to Section 4.15)
- 1.6. The Committee considers that for an organisation which is almost entirely financed from Commonwealth and State funds greater control should be exercised over staffing levels applicable to the Home Care Service. The Committee, therefore, recommends that determination of a maximum staff number for the Head Office and Regional administration of the Home Care Service be subject to administrative arrangement between the Premier's Department and the Home Care Executive Board. (Refer to Sections 4.13 and 4.21)
- 1.7. The Committee is of the view that responsibility for determination of staff numbers at the branch level should remain the responsibility of the Home Care Executive Board via the allocation by Head Office of field service hours and administrative hours. (Refer Section 4.26)
- 1.8. The Home Care Service has established a Regional administrative network to provide a link between Head Office and Branches. As part of the Regional network positions of Regional Liaison Officer have been established to provide information and advice on Home Care policies and administrative matters to Branch Committees and branch staff, (Refer Section 4.17)

1.9. The Committee is of the view that further consideration needs to be given to the role of the Regional Liaison Officer to obtain the full utilisation of this key resource. The Committee recommends that the role of the Regional Liaison Officer be more clearly defined to ensure that the responsibilities of the position do not conflict with those of the Branch Manager. The Committee further recommends that provision should be made for more regular consultation with each branch, particularly in non-metropolitan areas where distance is a key factor. (Refer Section 4.19)

1.10. A system of Branch Committees has been operating in the Home Care Service for some 40 years. In the course of its investigations the Committee noted differences in operation of the local Committees between the various branches such that in some cases the distinction between the roles of the Branch Committee and Branch Manager were not clear. (Refer Section 4.29)

1.11. The Committee recommends that local Branch Committees be maintained but that the primary role of the Committee should be to act as advisors to the Branch Manager. (Refer Section 4.31)

1.12. The Committee also recommends that Branch Committees be relieved of the responsibility of employment of the Branch Manager and that this function should be with the Head Office and Regional Offices of the Home Care Service. The local Branch Committee should however still participate in the selection process. (Refer Section 4.32)

1.13. From May 1985 the Executive Board of the Home Care Service has commenced a total restructuring program at the Head Office, Regional and Branch level. Ultimately the restructuring program is designed to improve the quality of

services to clients and to promote a more efficient and effective use of resources by the Service. (Refer Section 4.33)

- 1.14. The Committee fully endorses the general thrust of the restructuring of the Home Care Service to ensure that the value of service to clients is maximised within the level of available funds. Whilst appreciating the size of the task, the Committee is, however, critical that the restructuring process which effectively commenced in mid 1985 has still not been fully implemented. (Refer Section 4.37)

Operational Activities

- 1.15. The Constitution of the Home Care Service provides that services should be made available "on the basis of need and not according to capacity to pay". Such a broad definition effectively results in an unlimited target population for the Home Care Service,
- 1.16. The task facing the Home Care Service, therefore, is to ensure that available resources are allocated to achieve maximum benefits and satisfy the greatest amount of community need. Given that the level of funding will in all probability never be sufficient to meet the level of demand this function becomes of prime importance.
- 1.17. Allocation of resources to branches is on the basis of field service hours and administrative hours. These allocations are essentially based on historical determinations and the incremental growth in expenditure patterns within branches over the years. The Home Care Service has made some attempt to rectify the inequities of this system, however the Committee considers it is no longer appropriate to accept that existing services should necessarily be maintained at a given base level.

1.18. The Committee recommends that a full review of the allocation of branch hours be undertaken within the next twelve months aimed at achieving a more equitable allocation of resources between branches. The Committee recognises this will be a major task, but it is considered essential if the Home Care Service is to achieve appropriate distribution and utilisation of its resources. (Refer Section 5.15)

1.19. The majority of Home Care clients are referred to the Service by themselves or a relative. In these instances the client (or relative) contacts the local branch and indicates a desire to receive assistance. Some screening of clients would take place in this initial contact to ascertain eligibility to receive the service. Once overall eligibility has been verified the next step is for an Assessor to visit the client in the home to assess the basis of need for the service. (Refer Section 5.25)

1.20. The Committee fully appreciates the difficulty in providing a standardised system of assessments. However, the Committee is critical of the lack of external control in the current method of assessments and considers there is scope to improve the quality of assessment procedures. (Refer Section 5.30)

1.21. Accordingly the Committee recommends an immediate review of the current assessment procedures aimed at establishing standards for certain levels of service and an external review process by which assessments can be compared and evaluated. (Refer Section 5.31)

1.22. From visits to various branches the Committee noted the level of job experience and expertise amongst Assessors varied markedly. Whilst most Assessors had some level of training in health/welfare areas (particularly nursing) the

experience of others had been gained on the job or in limited training sessions provided by Head Office. (Refer Section 5.33)

1.23. Accordingly, the Committee recommends that:
greater emphasis be placed on the recruitment of
Assessors with appropriate experience/skills; and
enhanced training programs for Assessors to establish a standard level of
competence. (Refer Section 5.35)

1.24. The general policy within Home Care is that clients should
be reassessed each six months to determine if there is a
continuing need for the service. From visits to branches
the Committee noted that reassessments were not as rigorous
and were less frequent than could be expected.

1.25. The Committee recommends that a higher priority be attached to reassessment
procedures. Clients in continuing care should be reassessed at least each six months. Crisis care
clients should be reassessed more frequently and removed from service once the need for service has
passed. Regional Liaison Officers should also be involved in a review of reassessments within
branches as part of the enhanced consultative process referred to in recommendation 4.19. (Refer
Section 5.45)

1.26. The rationale for the payment of fees for Home Care
Services is based on the premise that a contribution
towards the cost of the service enhances the client's
dignity as a consumer of the service. Current Home Care
policy is that provision of services should be on the basis
of need, not on the client's ability to pay for the service
and the full fee is considered to be what the client can
afford to pay. (Refer Section 5.46)

1.27. The Committee fully recognises that ability to pay should not be used as a primary eligibility criteria for receiving assistance. However, the Committee is most conscious of the fact that there is a requirement for the Service to ensure that resources are equitably allocated and that clients with the ability and capacity to acquire commercial services are not utilising resources which could be directed to those without the same level of financial support or other skills and capabilities. (Refer Section 5.50)

1.28. The Committee recommends an immediate review of the current fee guidelines. The upper limit of the range of fees should be increased to the assessed average hourly cost of providing the service. This should be adopted for all clients not only those clients serviced as insurance cases. The aim of the review should be to implement more rigorous guidelines for the assessment and collection of fees and the guidelines should be subject to annual review. (Refer Section 5.60)

1.29. The Committee has noted the substantial increase from 1984-85 in the average cost of providing one hour of field service. The increase was primarily related to the impact of an industrial agreement which provides Award Wages for all administrative and field staff, the full effect of which will be felt in 1986-87. However, the Committee has reviewed the average cost in a number of branches within regions and has noted substantial variations between regions and between branches within regions.

1.30. The Committee, therefore, recommends in conjunction with the review of the allocation of branch hours, attention also be given to the cost of providing the service within each branch, particularly in the area of administrative hours and total staffing levels to ascertain the appropriateness of branch operating costs. (Refer Section 5.69)

Accountability

1.31. As part of its brief the Committee considered alternative organisational structures through which the Home Care Service could operate. (Refer Section 4.39)

1.32. The Committee is of the view that the current organisational structure i.e. a statutory authority, is the most appropriate for ensuring an effective service delivery to clients. Given the entrenched operation of the

New South Wales system the three alternatives reviewed each have deficiencies which are either too costly or not practicable to rectify. The Committee does however consider there is scope to strengthen and improve the current legislative framework. (Refer Section 4.39)

1.33. The enabling legislation for the Home Care Service is the Community Welfare Act, 1987. Although the Constitution of the Home Care Service incorporates the aims and objectives of the organisation the legislation is silent on these issues. The Committee is firmly of the view that to increase the overall accountability of the organisation to Parliament and to provide greater public scrutiny of the Service's operations the current legislation for the Home Care Service needs strengthening.

1.34. The Committee believes that given the growth in the Service's operations in recent years and the increasing Government financial support to the Service, particularly following the introduction of the H.A.C.C. program, there is appropriate justification for providing the Home Care Service with separate legislation. (Refer Section 6.4)

1.35. The Committee recommends that the Minister give consideration to the practicability of providing the Home Care Service with separate legislation. This legislation could encompass the aims and objectives of the Service and those matters currently included in the Service's

Constitution relevant. to its operations and activities and any other matters which the Minister considers should be specified in legislation. (Refer Section 6.5)

1.36. The Committee had difficulty in assessing the overall effectiveness of the Home Care Service due to the lack of specified objectives. The Committee, therefore, recommends that clear and quantifiable objectives be established against which the Service's performance can be measured. (Refer Section 6.12)

1.37. Funding for the Home Care Service is provided through an allocation to the Minister for Youth and Community services. In the 1986-87 Budget Estimates the allocation is shown as a single line-item. The Committee however considers that given the size of the Home Care Service Budget and the increasing level of Government financial support, more information should be included within the Budget Estimates in regard to expenditures by the Home Care Service.

1.38. The Committee, therefore, recommends that the Treasurer give consideration to the practicability of including the Home Care Service as a separate program within the Budget Estimates. (Refer Section 6.17)

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2. INTRODUCTION

Reference from Minister

- 2.1. The Public Accounts Committee received a reference on 10 October, 1986 from the Minister for Youth and Community Services, Mr John Aquilina, to inquire into the administration and operation of the Home Care Service of New South Wales, having regard to changes currently being implemented within the Service. In particular, the Minister requested the Committee to examine the following issues:

the appropriateness of the structure and management of the Service to the most effective and efficient delivery of services to clients;

the appropriateness of the structure and level of operation to the current and projected needs of the people of New South Wales;

any recommended changes to the structure, management and operation of the Service which would increase its effectiveness and efficiency; and any recommended changes to the structure, management and operation of the Service which would improve accountability to the community, the Minister and the Government.

A copy of the Minister's letter is included in Appendix 1.

Approach to Inquiry

- 2.2. The Committee publicly announced its inquiry on 31 October, 1986 and notices were placed in all major newspapers on 1 and 2 November, 1986. The Committee invited submissions

from interested parties and members of the public and also wrote to all Members of the New South Wales Parliament informing them of the inquiry and seeking submissions.

2.3. A public hearing was held on 4 November, 1986 at which the following organisations gave evidence:

Home Care Service of New South Wales
Combined Pensioners' Association
Department of Youth and Community Services

A list of witnesses appearing before the Committee is provided in Appendix 2.

2.4. A total of 79 submissions were received from the public including 29 organisations and 50 individuals. The response was most encouraging and indicates the level of public interest and involvement with the Home Care Service. The Committee has reviewed all the submissions and has taken these into account in preparing this Report. The public submissions were most constructive in their comment and have assisted the Committee in formulating some of the Report's recommendations.

A list of submissions received is shown in Appendix 3.

2.5. In order to fully appreciate the operations of the Home Care Service the Committee undertook a number of inspections of both metropolitan and non-metropolitan branches. The visits afforded an opportunity for the Committee to assess at first hand the workings of a branch and to discuss with administrative and field staff and most importantly the clients, various issues relating to the method and level-of service delivery. The Committee was also very much aware of the difficulty some non-metropolitan branches faced in relation to the allocation of service hours, the geographical spread of branches and client population. Accordingly, the Committee

visited 14 non-metropolitan branches specifically to gain an appreciation of the variations between metropolitan and non-metropolitan branches.

full list of branches visited is shown in Appendix 4.

2.6. As part of its investigations the Committee also had the opportunity to observe Home Care Service operations in Tasmania, South Australia and Victoria. A brief review of Home Care operations in other States is provided in Appendix 5.

2.7. The Committee is of the view that the New South Wales system is generally the most effective of those investigated. The Committee further considers that the central co-ordination through a single agency provides the most appropriate mechanism for achieving an equitable service delivery throughout the State. This Report includes recommendations which can improve and enhance the structural and operational effectiveness of the Home Care Service to ultimately improve the delivery of client services throughout the State.

3.5. The 1950's also saw the introduction of services for the aged. In 1954, a 'Home Aide' service was commenced to provide assistance to aged persons and mothers with children. This recognised the need for services for adults, particularly the elderly, with physical disabilities, who may be able to remain in their own homes if in-home supportive services were available.

3.6. During the 1960's the emphasis on service provision shifted more noticeably from assisting mothers to assisting aged persons. In 1969 the Commonwealth Government commenced financial support with the introduction of the States Grants (Home Care) Act, 1969 to provide financial support for the development of home help services, primarily, but not exclusively, for the aged. The Act also provided assistance for the establishment and development of Senior Citizen's Centres.

3.7. Corresponding with the growth and expansion of the Service organisational changes were also being implemented. In 1976, the Service adopted the name of the Home Help Service of New South Wales. The advisory committee became an Executive Committee and by 1979 comprised nine members, four of whom represented various community groups. Other changes included the introduction of paid administrative staff within branches to assist local voluntary committees with administrative tasks.

3.8. The introduction in 1982 of the Community Welfare Act reaffirmed the State's commitment to the development and support of Home Care services. The Act also specifically incorporated the previously semi-autonomous branches as the Home Care Service of New South Wales. The 1987 Community Welfare Act maintains the thrust of the 1982 Act.

3.9. A further change to the Service occurred in February, 1960 with New South Wales' participation in the Commonwealth Home and Community Care (H.A.C.C.) Program. The aim of

3. THE HOME CARE SERVICE IN NEW SOUTH WALES

History and Background

3.1. The HomeCare Service of New South Wales was established on 25 October, 1943 as the New South Wales Housekeepers Emergency Service. The aim of the Service was to assist women in crisis, particularly where normal family support mechanisms (i.e. husbands and relatives) were deployed in active service or associated war work.

3.2. Initial funding for the Service was by way of donations from individuals and community organisations. Financial assistance from the State Government commenced in June, 1944 with a grant of 250 pounds which was increased to 500 pounds at the end of six months. Although Government support was perhaps motivated by the necessity to prevent absenteeism and maintain full capacity for defence and other industries the assistance also reflected a willingness to more adequately cater for the needs of women in the emerging postwar period.

3.3. During the immediate postwar era demand for services continued to increase with emphasis being on child-care and maintaining family life by the provision of full-time and live-in housekeepers. In 1950, the Government agreed to increase financial support to the extent to which expenditure was not recovered from client fees.

3.4. Simultaneously the structure of the Service was also changing. In 1950 the Premier appointed a committee of five members, responsible to the Minister for Labour, Industry and Social Welfare, to manage the Service. The former voluntary committee, representing private welfare agencies, was retained in an advisory capacity.

3.5. The 1950's also saw the introduction of services for the aged. In 1954, a 'Home Aide' service was commenced to provide assistance to aged persons and mothers with children. This recognised the need for services for adults, particularly the elderly, with physical disabilities, who may be able to remain in their own homes if in-home supportive services were available.

3.6. During the 1960's the emphasis on service provision shifted more noticeably from assisting mothers to assisting aged persons. In 1969 the Commonwealth Government commenced financial support with the introduction of the States Grants (Home Care) Act, 1969 to provide financial support for the development of home help services, primarily, but not exclusively, for the aged. The Act also provided assistance for the establishment and development of Senior Citizen's Centres.

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3.8. The introduction in 1982 of the Community Welfare Act reaffirmed the State's commitment to the development and support of Home Care services. The Act also specifically incorporated the previously semi-autonomous branches as the Home Care Service of New South Wales. The 1987 Community Welfare Act maintains the thrust of the 1982 Act.

3.9. A further change to the Service occurred in February, 1986 with New South Wales' participation in the Commonwealth Home and Community Care (H.A.C.C.) Program. The aim of

this program is to develop a comprehensive range of basic maintenance and support services to enable frail and disabled (aged and non-aged) persons to remain in the community rather than be placed in possibly inappropriate and unnecessary institutional care. A more detailed comment on the H.A.C.C. program is contained in Appendix

Organisational Structure

3.10. The Home Care Service is managed by an Executive Board, comprising 21 members. Head Office of the Service, located at Parramatta, is responsible for the State wide co-ordination of service delivery and service administration and accounting matters.

3.11. The Service currently operates through some 165 branches (as at 30th June, 1986) spread throughout New South Wales. Although branch boundaries are not aligned with Local Government Areas most would generally correspond with one or two Local Government Areas or parts thereof. Each branch is served by a local Branch Committee which has responsibility for the planning of service delivery in the local area.

3.12. As at 30th June, 1986 the Home Care Service employed approximately 2,135 staff distributed as follows (staff numbers are expressed as equivalent full-time):

Head Office		34
Regions		31
Branches	- Administration	370
	- Field Staff	<u>1,700</u>
		<u>2,135</u>

As can be seen, a significant proportion of staff, some 80%, are employed in the actual service delivery to clients. A detailed review of the organisational structure is contained in Chapter 4.

Aims and Principles of Home Care

The following information is taken from the Service's 1985-86 Annual Report.

3.13. The aims of Home Care are:

To assist the family and individual to live as independently as possible in the home, by providing assistance in times of illness, incapacity, crisis and stress.

To provide appropriate high quality care at home, so that people may not have to move to an institution.

3.14. The main principles of Home Care include that services are provided in the home, not to a person living in an institution; services are given on the basis of need and services are provided to those with the least resources to cope, whether financial, emotional or family support.

Further detail on Home Care Principles is included in Appendix 7.

Clients

3.15. During 1985-86 the Home Care Service provided services to between 32,000 - 34,000 households during each four-weekly period. The average total number of hours of service provided was approximately 237,000 during each four-weekly period. The major recipients of the Service are aged persons (73% of total services) comprising aged single people (53% of total services) and aged couples (20% of total services).

Further detailed discussion on Home Care Service clients and operations is contained in Chapter 5.

Types of Service

3.16. There are six broad categories of service:

General Housekeeping (75% of service hours)	:	various domestic duties (i.e. cleaning, vacuuming, ironing) provided 'to family/individual in time of crisis, emergency or illness situations.
Personal Care (13% of service hours)	:	attendance to personal hygiene (washing/bathing) and other support services (dressing/eating) required by the disabled or during illness.
Live-in Housekeeper (2% of service hours)	:	general household/caring tasks which the primary caret is unable to maintain or continue due to sickness, incapacity, pregnancy or family breakdown.
Handyperson (2% of service hours)	:	essential repairs or home maintenance works for safety/functional requirements but not to replace work of tradesmen or family support.
Relief Care (5% of service hours)	:	relief of the primary carer who requires respite through either illness or vacation. Assistance can be to meet specific emergencies or on a regular basis.
Family Worker (1% of service hours)	:	advocacy support to families in stress or crisis.

3.17. In addition to these categories of service, the Home Care Service provides other miscellaneous services accounting for 2% of service hours.

Funding Arrangements

3.18. Operations of the Home Care Service are funded by the State and Commonwealth Governments under the Home and Community Care (H.A.C.C.) Program. The agreed base costs of the program are shared equally between the respective Governments with the cost of growth in the level of services funded in proportions prescribed by the H.A.C.C. Agreement. For 1986-87, total Government funding is currently estimated at \$49.2 million (\$25.8 million Commonwealth and \$23.4 million State) compared with \$33.74 million in 1985-86.

3.19. In addition to Government financial support the Home Care Service also retains fee income from client services. In 1986-87 fee income is estimated at \$6 million compared with \$5.1 million in 1985-86.

3.20. Total income for 1986-87 including Government grants, client fees and other miscellaneous income is estimated at approximately \$57 million. The latest estimates of expenditure indicate that total income will be expended in full in 1986-87 on client services and administration.

3.21. The following Table 3.1 provides some detail on actual and estimated income and expenditure for the years 1984-85, 1985-86 and 1986-87.

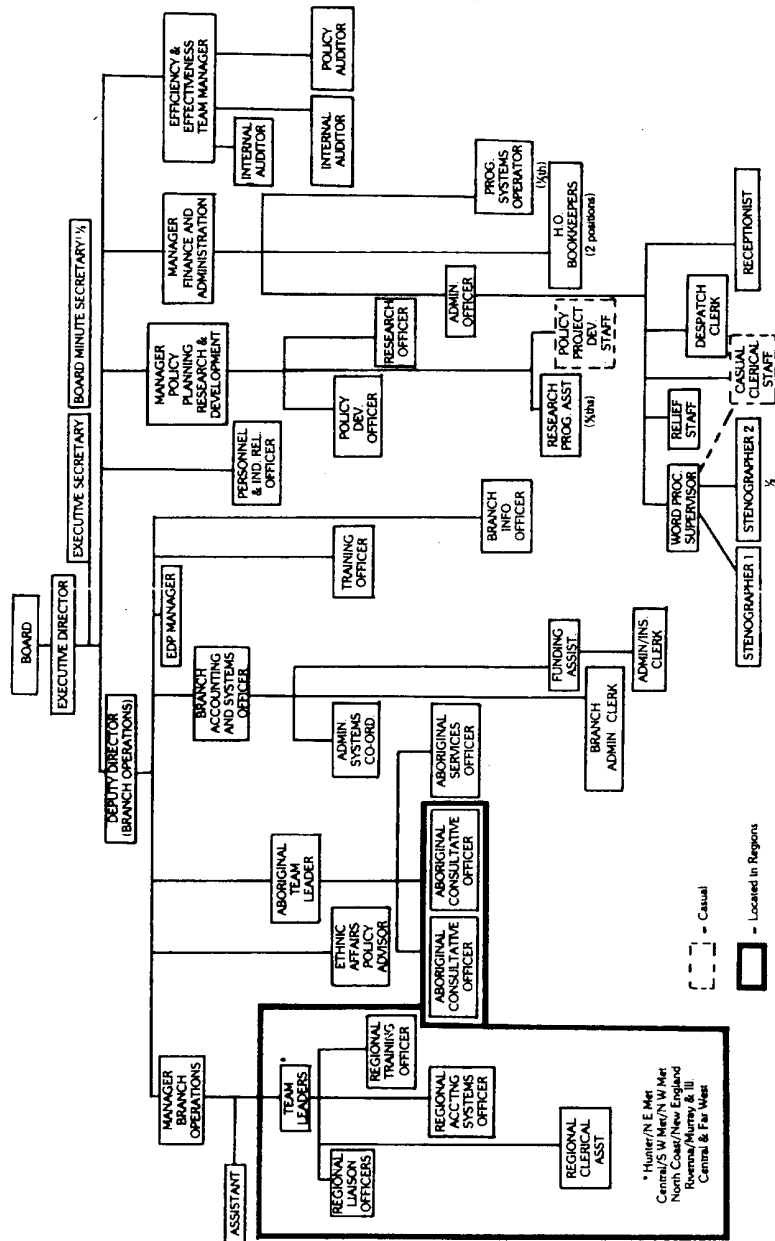
TABLE 3.1 INCOME AND EXPENDITURE COMPARISON
HOME CARE SERVICE OF NEW SOUTH WALES

	1984/85	1985/86	1986/87
	Actual	Actual	Estimate
	\$000	\$000	\$000
INCOME			
Government Grants	31,370	34,016	50,609
Client Fees	4,902	5,121	6,019
Interest	217	294	390
Sundry	75	41	13
TOTAL INCOME	<u>36,664</u>	<u>39,472</u>	
EXPENDITURE			
Branch Operations			
Wages - Field Staff	22,956	26,452	35,175
Wages - Admin Staff	5,140	6,567	8,726
Centrally Allocated Costs	1,414	2,884	2,874
Travel	2,646	2,743	2,326
Training			300
Accommodation	374	550	754
Other	1,332	1,750	1,442
Regional Operations			
Wages - Support Staff	230	296	757
Travel	110	76	247
Training	145	137	685
Accommodation	39	47	111
Other	3	86	128
Head Office Operations			
Salaries	466	803	1,162
Travel	38	45	112
Accommodation	171	59	100
Beard Expenses	39	52	78
Other	281	293	378
TOTAL EXPENDITURE	<u>35.384</u>	<u>42.840</u>	<u>55.355</u>
Surplus/(Deficit)			
Carried Forward	1,180	(3,368)	1,676*

*Estimated expenditure as shown in the Home Care Service 1985-86 Annual Report. Treasury reviews indicate that 1986-87 income will be fully expended in the year.

TABLE 4.1 ORGANISATION CHART - HEAD OFFICE AND REGIONAL

HOME CARE SERVICE OF NEW SOUTH WALES



4. ORGANISATIONAL STRUCTURE

4.1. With the incorporation of the Service under the Community Welfare Act, 1982 assets and liabilities of the previously semi-autonomous branches were transferred to the Service. Simultaneously, responsibilities and functions of the Head Office began to increase as the Head Office assumed some administrative tasks previously carried out by local Branch Committees.

The introduction of the Community Welfare Act, 1987 provides for continuation of the existing corporation.

4.2. The Service is managed by an Executive Board. Administration is carried out at the Head Office, Regional and Local levels. Table 4.1 shows the current Head Office and Regional organisational structure for the Service. Detailed below is comment on the organisational structure.

The Executive Board

4.3. The Executive Board of the Home Care Service comprises 21 members (one member is non-voting). Current membership of the Board comprises:

1	Chairperson	
1	Executive Director	(Non-voting)
6	Government Representatives	Youth and Community Services(1) Health (1) Treasury (1) Special Ministerial Appointees (3)

Client Representatives	Disabled Persons	(1)
	Aged Persons	(1)
	Local Government	(1)
	English as a Second Language	(1)
	Family and Children	(1)
	Aboriginal	(1)
Home Care Representatives	Employees	(1)
	Branches	(6)

4.4. The role of an Executive Board is to implement the policy directives of Government by formulating programs which are designed to achieve the overall goals of the organisation. In undertaking this role, an Executive Board is generally responsible, within budgetary limits, for determining priorities, establishing aims and objectives and setting targets by which the organisation's performance can be monitored and evaluated.

4.5. The Committee agrees with a recent action taken by the Board to divest itself of involvement in administrative matters by delegating decisions on these issues to the Executive Director. This step was taken to allow the Board more time to concentrate on the major policy issues facing the Service.

4.6. The Committee is, however, concerned at the actual size of the Board. In general, composition of an Executive Board for statutory authorities is restricted to between 5 to 11 members. This representation has proven to be appropriate to cover the interests of the Government, the organisation and the clients/consumers of the organisation's services. In the case of the Home Care Service Executive Board it is noted that employee representation exceeds client

representation. It is considered that in attempting to cater for the many groups with interests in Home Care operations, the Board may have been too ambitious and that from a purely operational viewpoint the numbers participating in Board decision-making could be considered ineffective.

4.7. The Committee, therefore, recommends that the size of the Executive Board be reduced but that composition of the Board should maintain an appropriate client group representation.

Head Office

4.8. The Head Office of the Home Care Service is responsible for the main functional areas of: · planning, research and development, of policy matters; finance and administration; branch operations; and internal audit.

4.9. Following a consultant's report in June, 1985 the Head Office was restructured with the aim of enhancing the effectiveness with which the major functional activities were undertaken and improving the co-ordination of service delivery at branch level. Staff increased from 30 equivalent full-time at 30 June, 1985 to 34 equivalent full-time at 30 June, 1986.

4.10. The Committee is cognisant of the fact that an effective administrative structure is necessary to ensure smooth running of the organisation, particularly when the multiplicity of service delivery points is taken into account. The Committee is, however, concerned at the growth in expenditure on Head Office operations between 1984-85 and 1985-86. In total, expenditure on Head Office operations increased by \$9.57,000 or 28.8% during this

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period. A considerable proportion of this increase is related to expenditure on salaries for additional positions and upgrading of existing positions during the year.

4.11. Section 29 (1) of the Community Welfare Act, 1987 provides that conditions of employment of the Home Care Service staff (including salary, wages or remuneration) shall be determined by the Home Care Board after consultation with, and with the concurrence of, the New South Wales

Public Service Board. Salary scales determined by the Home Care Board are similar to, although not entirely the same as, those determined by the Public Service Board for the Administrative and Clerical Division of the Public Service.

4.12. The Public Service Board does not, however, possess the authority to determine the maximum staff number for the Home Care Service i.e. the number of staff necessary for the efficient, effective and economical management of the Services's operations and activities. In a number of other statutory authorities this function is undertaken by administrative arrangement between the Premier's Department and the particular authority.

4.13. The Committee considers that for an organisation which is almost entirely financed from Commonwealth and State funds greater control should be exercised over staffing levels applicable to the Home Care Service. The Committee, therefore, recommends that determination of a maximum staff number for the Head Office administration of the Home Care Service be subject to administrative arrangement between the Premier's Department and the Home Care Board.

4.14. This administrative arrangement currently applies to all authorities listed in Schedule 3 of the Public Service Act, 1979 (Declared Authorities). These authorities, although not subject to determination of maximum staff numbers by the Public Service Board, are subject to a number of other provisions of the Public Service Act. These provisions

include the Public Service Board's authority to conduct special inquiries, to conduct efficiency audits and to review management practices within an organisation.

4.15. The Committee is firmly of the view that in order to provide greater scope for external review of the Home Care Service operations and to improve the overall accountability of the organisation, the Home Care Service should be subject to similar review mechanisms as are other Public Service Departments and Statutory Authorities.. Accordingly, the Committee recommends that the Home Care Service be included within Schedule 3 of the Public Service Act, 1979.

Regional Administration

4.16. During 1983-84 and 1984-85 the Home Care Service was regionalised and a pilot program commenced with the appointment of Regional Liaison Officers. This program has now been expanded with the establishment of five Regional Teams, each comprising a number of Regional Liaison Officers, a Branch Training Officer, a Branch Administrative Systems Officer and a Clerical Assistant. Total Regional staff at 30 June, 1986 was 31 positions.

4.17. The aim of the Regional teams is to provide a link between Head Office and the branches. According to the Home Care Service the role of the Regional Liaison Officer is to provide information and advice on Home Care policies and administrative matters to Branch Committees and branch staff. The Regional Liaison Officer also has responsibility for branch finance and administration.

4.18. The effectiveness of the Regional Liaison Officer was perceived quite differently between the various branches the Committee visited. In some cases the role of the Regional Liaison Officer was seen as particularly positive and providing a level of executive support which previously

rested on informal networks. In other instances the position was considered unsatisfactory, particularly given geographical distances in country regions which restricted the frequency of visits which the Regional Liaison Officer could make to branches.

- 4.19. The Committee is of the view that further consideration needs to be given to the role of the Regional Liaison Officer to obtain the full utilisation of this key resource. The Committee recommends that the role of the Regional Liaison Officer be more clearly defined to ensure that the responsibilities of the position do not conflict with those of the Branch Manager. The Committee further recommends that provision should be made for more regular consultation with each branch, particularly in non-metropolitan areas where distance is a key factor.
- 4.20. Total Regional staff increased from 11 positions at 30th June, 1985 to 31 positions at 30th June 1986. The Committee is aware that the substantial increase in Regional staffing is a direct result of the overall restructuring program for the Home Care Service. The Committee notes that this increase was effected at a time when other sectors within the Public Service were subject to overall staffing constraints aimed at promoting economy in administration and ensuring *that Departments* did not exceed budgetary allocations for staffing.
- 4.21. The Committee, therefore, recommends, in line with its earlier recommendation 4.13, that determination of a maximum staff number for the Regional administration of the Home Care Service be subject to administrative arrangement between the Premier's Department and the Home Care Board.

Branches

4.22. As at 30 June, 1986 the Service operated through

165 branches within the State. Based on the number of households serviced branches are categorised as follows:

	<u>No. Households</u>	<u>No. Branches</u>
Small	less than 70	62
Medium	70-200	46
Large	200-500	39
Extra Large	500-900	<u>18</u>
		<u>165</u>

4.23. A typical branch structure comprises the Branch Manager (previously known as Co-ordinator) responsible for branch finance and administrative matters, including co-ordination of client services, an Assessor, Bookkeeper and possibly a Clerical Assistant. The field staff (Home Aides, Handypersons, etc.) account for the remainder of branch staff. Total branch staff at 30 June 1986 was approximately 2,070 (equivalent full-time).

4.24. The Committee has recommended implementation of an external control on the staff numbers for Head Office and Regional administration (refer recommendations 4.13 and 4.21). However, the Committee is of the view that determination of staff numbers by Premier's Department may not be practicable at the branch level.

4.25. Branch structures are common throughout the State and the number of staff depends to a large degree on the number of households serviced. Whilst the Committee considers that there are disparities in branch staff levels which need to be reviewed (discussed in Chapter 5), it is felt that such control should properly be exercised by the Head Office through the allocation of field service hours and administrative hours to each branch.

4.26. Accordingly the Committee is of the view that responsibility for determination of staff numbers at the branch level should remain the responsibility of the Home Care Board via the allocation by Head Office of field service hours and administrative hours.

Branch Committees

- 4.27. The system of Branch Committees has been operating in the Home Care Service for some 40 years. The major role of a Branch Committee is to assess the needs of the local community, set priorities for meeting those needs and review the work of the branch. Branch Committees' also have responsibility for employment of the Branch Manager, control of locally obtained funds i.e. donations and general administrative support and advice.
- 4.28. Typically, a Branch Committee would comprise representatives from a range of community groups and sectors e.g. the Aged, Families in Crisis, Aboriginal Community, Ethnic Communities, Disabled, Local Government, Health and Welfare workers and clients of the Service.
- 4.29. In the course of its investigations the Committee noted the differences in the operation of the local Committees between the various branches. In some instances the local Branch Committee was seen to have an integral role in representing local community interests in the determination of branch goals and in providing direction and support to the local Branch Manager. In other instances, however, the distinction between the roles of the Branch Committee and the Branch Manager was not as clear. This was particularly the case where the local Committee comprised a majority of persons who were engaged in other forms of employment which detracted from the time available for Home Care. The Committee considers that responsibility for branch operations should rest primarily with the Branch Manager.

4.30. The Committee reviewed the feasibility of area based Branch Committees as a method of streamlining the involvement of local community interests. Such a proposal may be practicable in metropolitan areas where a number of branches are located within relatively close proximity and where "local" interests would be fairly compatible within a region. However, in non-metropolitan regions the Committee considers that the introduction of area based Branch Committees would diminish local involvement and would ultimately result in a decline of interest from the local community.

4.31. The Committee recommends that local Branch Committees be maintained but that the primary role of the Committee should be to act as advisors to the Branch Manager.

4.32. The Committee also recommends that Branch Committees be relieved of the responsibility of employment of the Branch Manager and that this function should be with the Head Office and Regional Offices of the Home Care Service. The local Branch Committee should however still participate in the selection process.

Restructuring of the Home Care Service

4.33. From May 1985 the Executive Board of the Home Care Service has commenced a total restructuring program at the Head Office, Regional and Branch level. Ultimately the restructuring program is designed to improve the quality of services to clients and to promote a more efficient and effective use of resources by the Service.

4.34. The restructuring has included expansion and upgrading of Head Office staff positions. At the Regional level, the pilot program commenced in 1983-84 with Regional Liaison Officers was expanded and positions made permanent. The Home Care Board has also embarked on an extensive program of branch restructuring which includes the introduction of

a new position, Branch Manager, to assume the duties formerly undertaken by the Branch Coordinator. Other facets of branch restructuring include the standardising of administrative and accounting procedures and the commencement of a program of computerisation of branches to provide a more accurate and reliable client data base, accounting and financial information and reporting procedures.

- 4.35. A substantial number of the public submissions received by the Committee were most critical of the overall restructuring of the Home Care Service on the basis that a new and expanded administration was diverting resources from provision of client services. Whilst there was general recognition of the need to ensure that the Service was operating in an efficient manner, a common concern was that new organisational structures had substantially increased administrative tasks without any corresponding increase in client services. A number of other submissions also indicated that with the introduction of industrial awards, the level of voluntary work undertaken in branch administration was gradually declining which reduced flexibility in operations, particularly in smaller non-metropolitan branches.
- 4.36. It was also pointed out to the Committee during the course of branch inspections that a number of new procedures and directives issued from Head Office were frequently amended prior to final implementation. The Committee firmly believes these procedures should have been piloted in a limited number of branches prior to State wide implementation.
- 4.37. The Committee fully endorses the general thrust of the restructuring of the Home Care Service to ensure that the value of service to clients is maximised within the level of available funds. Whilst appreciating the size of the

task, the Committee is, however, critical that the restructuring process which effectively commenced in mid 1985 has still not been fully implemented.

Appropriateness of Current Organisational Structure

4.38. As part of its brief, the Committee considered alternative organisational structures through which the Home Care Service could operate. These include:

- . Inclusion within a Department;
- . Independent incorporation of branches;
- . Local Government framework;
- . Statutory Authority

A discussion of these alternatives is included in Appendix 8.

4.39. The Committee is of the view that the current organisational structure i.e. a statutory authority, is the most appropriate for ensuring an effective service delivery to clients. Given the entrenched operation of the New South Wales system the three alternatives reviewed each have deficiencies which are either too costly or not practicable to rectify.

4.40. The Committee does, however, consider there is scope to strengthen and improve the current structure. Comment and recommendations on this matter are contained in Chapter 6 'Accountability'.

5. OPERATIONAL ACTIVITIES

Determination of Need

5.1. The Constitution of the Home Care Service states:

"1) The principal aim and object of the Organisation is to provide, within the state of New South Wales, a comprehensive and broad range of home care services.

2) In furtherance of its principal aim and object, the Organisation shall have the following objectives:

a) To provide for families, individuals and those who care for them, either within or outside the home and either at the place where the home is situated or elsewhere, assistance in times of illness, pregnancy, crisis, stress or any other situations which in the opinion of the Organisation, warrant such assistance .

b) To provide such services:

i) on the basis of need and not according to capacity to pay."

Such a broad definition provides in effect an unlimited target population for Home Care services.

5.2. It is important to appreciate the demand for services and the need for services are not identical. With welfare services particularly it is likely there will always exist some level of "unmet need" due to the lack of knowledge of the service's existence and inability to access the service.

- 5.3. Ultimately, however, the overall constraint on Home Care Service operations will be the supply factor i.e. the level of funding available from Government to support the Service. A secondary factor is the supply and availability of comparable services, regardless of whether they are financially supported by the Government or operated by the private sector.
- 5.4. Factors which influence the demand for services include demographic and social change. Declining birth rates and increased longevity are resulting in continuing increases in the proportion of aged in Australia.
- 5.5. Social change is also affecting the family situation, i.e. shrinking family size, geographic mobility, single parent families. Accordingly, functions which may have once been the sole responsibility of the family are increasingly becoming shared between the family and community.
- 5.6. The task facing the Home Care Service, therefore, is to ensure that available resources are allocated to achieve maximum benefits and satisfy the greatest amount of community need. Given that the level of funding will in all probability never be sufficient to meet the level of demand this function becomes of prime importance.

Allocation of Branch Hours

- 5.7. Allocation of resources to branches is on the basis of field service hours and administrative hours. These allocations are essentially based on historical determinations and the incremental growth in expenditure patterns within branches over the years. Branches determined the level of funding allocated to them by their level of spending and also by their ability to seek additional support from the Head Office (the submission based model).

5.8. The Home Care Service recognised the problems in allocating resources in this manner and in 1983-84 some attempt was made to rectify the inequities of the submission based model. From that year allocations to branches took some account of the level of identified "need". This methodology involved a process of identifying the persons requiring home care assistance such as the aged and disabled, establishing priorities, selecting needs indicators and finally a comparison of regional and branch allocations based on the selected indicators.

5.9. The allocations which resulted from the 1983-84 review comprised a base number of hours, sufficient to maintain existing clients and a proportion of additional funding available in that year calculated on the "needs based" approach. Subsequent allocations to branches have essentially been incremental adjustments to the 1983-84 allocations,

5.10. The Committee endorses the actions taken by the Home Care Service in attempting to arrive at a more efficient allocation of resources between branches. However, it is considered that a further review of allocation procedures is essential if a more equitable allocation is to be achieved. The Committee believes this is a first priority for the Service. As previously mentioned it is likely that demand (and possibly the total need) for home care services will always exceed the level of funds available to support the Service. On this basis then it is no longer appropriate to accept that existing services should necessarily be maintained at a given base level.

5.11. Appendix 9 provides selected statistics for various branches within each of the ten Home Care Regions. The branches were selected on their comparability of households serviced. It must be stated that the statistics are for only one four-weekly operating period in 1986 (between

17 November and 14 December). As such, the data could be subject to many variables and may not be a strictly valid representation of an average four-weekly period.

5.12. Despite this factor, the data highlights the variations in branch hours (and other issues discussed later in this Chapter). An example is the comparison between the branches of Campbelltown and Mayfield. The Campbelltown Branch covers an area from Glenfield through to Appin and from Narellan across to Kentlyn. The Mayfield Branch covers the northern suburbs of Newcastle extending to Beresfield.

5.13. The following is a comparison of selected client and service statistics for the two branches:

<u>Campbelltown</u>	<u>Mayfield</u>	
Total Hours	5,937	3,524
Total Households	453	457
Aged Single %	39.07	64.33
Aged Couple %	18.32	20.13
Two Parent Family %	13.91	2.41
Extended Family %	0.88	4.16
Under 2 hrs/week %	53.64	86.21
Between 2-5 hrs/week %	35.10	12.91
General Housework %	68.43	98.69
Personal Care %	4.64	5.25
Handyperson Service %	37.97	--

(Note: Figures for type of household and level of service are expressed as a percentage of total households. Figures for type of service are expressed as a percentage of total field hours since one household can receive more than one type of service.)

5.14. Both branches service a similar number of households however Campbelltown Branch receives 2,413 hours (68.5%) additional to Mayfield. In the Mayfield Branch approximately 84.8% of total households are aged persons whilst in Campbelltown aged persons represent only 57.4% of total households. The more recent urbanisation of the Campbelltown/MacArthur Area would partly account for some of the difference in client composition. It is relevant to note that Campbelltown has a significantly higher proportion of clients receiving above two hours of service per week. More noticeable however is the level of Handyperson service in Campbelltown.

5.15. The Committee recommends that a full review of the allocation of branch hours be undertaken within the next twelve months aimed at achieving a more equitable allocation of resources between branches.

The review should encompass a comparison of total population serviced by each branch and the particular characteristics of that population, such as proportion of aged and disabled and other factors to assess needs. The review should also evaluate the number of households serviced, types of service provided within the branch and other factors associated with service provision. Consideration should also be given to the current process of allocating field service hours and administrative hours. To promote flexibility in operations there could be some scope to provide for reallocation, at the branch level, from administrative hours to field hours, but not on the reverse basis. The review could also examine current branch boundaries to ascertain the viability of amalgamation of a number of branches.

The Committee recognises this will be a major task but it is considered essential if the Home Care Service is to achieve appropriate distribution and utilisation of its resources.

5.16. The Home Care Service is currently requesting all local Branch Committees to prepare a plan which is designed to identify the characteristics of the local population (e.g. age, ethnicity, family structure), availability of other health/welfare services as well as the goals and objectives of the local Branch to meet the perceived needs of the local population.

The Committee considers this branch plan as integral to a review of the allocation of branch hours.

5.17. However, in a number of branches which the Committee visited there did not appear to be a clear understanding of the underlying objective of the branch plan other than as an exercise in collecting statistics on the local area. The Committee considers that the Head Office should become more actively involved in the provision of information and advice to local Branch Committees to ensure that the local branch plan does not simply result in a collection of statistical data.

Clients

5.18. The major client categories receiving assistance from the Home Care Service are as follows:

	1984-85	1985-86
Extended Family	6	6
Two Parent Family	9	9
Single Parent Family	3	3
Elderly Couples	19	20
Elderly Single Person	54	53
Couple (Not Elderly)	2	2
Single Person (Not Elderly)	3	3
Other (including group homes etc.)	4	4

5.19. The major types of service being provided are:

	1984-85	1985-86
General Home Aide Service	84	84
Personal Care Service	11	11
Handyperson Service	3	3
Live-In Service	2	2

(Note: Percentages are rounded to four major categories of service)

5.20. The level of service provision per households varies considerably from one hour per fortnight to in excess of 50 hours per week:

	1984-85	1985-86
Hours of Service per Household	%	%
2 hours or less per week	73	75
2-10 hours per week	25	24
10 hours or more per week	2	2

5.21. As can be seen from these statistics the client categories, type and amount of service is fairly static. The significant proportion of elderly clients receiving service no doubt reflects the emphasis within the States Grants (Home Care) Act, 1969 which provided grants to the States for the development of services primarily, but not specifically, directed towards the aged.

5.22. It has not been the intention of the Committee to review in detail the types of service being provided to ascertain whether there is a more appropriate type of service available. It could reasonably be expected, however, that one of the first functions to deteriorate with increasing age or other disability is the individual's capacity to

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maintain their own home. As such the proportion of general service activity devoted to General Home Aide duties is consistent with the Service's philosophy to maintain the individual in the home and away from institutional care.

- 5.23. The introduction of the H.A.C.C. program has seen emphasis shift from provision of services primarily for the aged to a recognition that both the aged and younger persons with disabilities have specific needs which can be met by appropriate in-home support programs.
- 5.24. At the time of this Report the H.A.C.C. program had not been operating for sufficient time to notice any shift in the type of service provision within the Home Care Service. The Service should, however, already be reviewing the types of service which it currently provides to assess their application to meeting the objectives of the H.A.C.C. program.

Assessment Procedures

- 5.25. The majority of Home Care clients are referred to the Service by themselves or a relative. In these instances the client (or relative) contacts the local branch and indicates a desire to receive assistance. Some screening of clients would take place in this initial contact to ascertain eligibility to receive the service. Once overall eligibility has been verified the next step is for an Assessor to visit the client in the home to assess the basis of need for the service.
- 5.26. The actual assessment procedure involves completion by the Assessor of a Client Assessment Form which includes details on household characteristics (family size, ethnicity, etc.); the reason for contacting the Service; the length and type of service required; other support services

available (Meals on Wheels, community/domiciliary nursing, family/friends); the type and frequency of service as assessed and the type and frequency of service allocated.

5.27. While the assessment forms are extensive, they provide little more than a record of interview between the client and the Assessor. One of the principles of the Home Care Service is the client's right of self-determination and in this regard the assessment reflects the client's indication of the type(s)/length of service which the client considers is required. Most Assessors with whom the Committee spoke were emphatic that this principle be upheld and that the individual Assessor's values should not influence the assessment process. Assessments are generally conducted on the same basis regardless of the type of service the client is seeking.

5.28. This procedure may be suitable if the Home Care Service was merely providing a "house keeping" service. The Committee believes it is not an entirely appropriate mechanism to assess services for clients, particularly aged clients, who could, in the near future, require placement in an institution.

5.29. The present system of assessment relies significantly on the view of one individual as to the amount of field service hours actually required to meet the client's needs. For instance an Assessor from Branch A could assess a client as requiring two hours of service per week while an Assessor from Branch B could assess the same client as requiring only one and a half hours of service per week. This situation is particularly relevant in cases where a branch may have been allocated additional hours by Head Office. In these cases it is possible that an Assessor may be more generous in determining hours required by a client than in cases where total branch field hours have been restricted.

5.30. The Committee fully appreciates the difficulty in providing a standardised system of assessments. However, the Committee is critical of the lack of external control in the current method of assessments and considers there is scope to improve the quality of assessment procedures.

5.31. Accordingly the Committee recommends an immediate review of the current assessment procedures aimed at establishing standards for certain levels of service and an external review process by which assessments can be compared and evaluated.

5.32. One method by which the assessment procedure could be enhanced is to establish internal "Assessment Teams" within Home Care Regions where assessors would have the opportunity to review and discuss on a regular basis current assessment procedures, assessment techniques, etc.

5.33. The job description for Assessors indicates as an essential requirement sound knowledge of health/welfare services and as a desirable requirement experience in the field of health/welfare or qualifications in welfare. From visits to various branches the Committee noted the level of job experience and expertise amongst Assessors varied markedly. Whilst most Assessors had some level of training in health/welfare areas (particularly nursing) the experience of others had been gained on the job or in limited training sessions provided by Head Office.

5.34. The Committee appreciates that distinctions can and should be drawn between assessments for clients with specific medical conditions or disabilities where the level of service may be more intensive and assessments provided say for a general housekeeping service, to the slightly incapacitated or frail aged. The Committee does not consider it appropriate to suggest that it be essential for an Assessor to have medical training to undertake an assessment for two hours per week housekeeping service.

Despite these considerations, however, the Committee is of the view that improvements could be implemented in the recruitment and training of Assessors to enhance the overall level of job skills required in such a key position.

5.35. Accordingly, the Committee recommends that:

- . greater emphasis be placed on the recruitment of Assessors with appropriate experience/skills; and
- . enhanced training programs for Assessors to establish a standard level of competence.

Inter-Agency Contact

5.36. The degree of inter-agency contact is also seen as an important component of the overall client assessment procedure. Each local Branch Committee generally comprises representatives of other health/welfare agencies from within the local area. Although the client's right to confidentiality is at all times respected, the Committee forum at least provides an avenue of contact to discuss the needs and requirements of special cases, particularly those clients requiring more intensive levels of service.

5.37. The Committee noted that the level of inter-agency contact varied between the branches visited. In non-metropolitan regions the degree of contact was in general higher, which reflected in the main the smaller numbers of clients in non-metropolitan branches and the closer personal contact of Branch Committee members with clients. The degree of contact was sometimes hindered by factors such as the absence of certain agencies from the area and inter-agency rivalries regarding the degree of professional competence of other agencies.

5.38. The Commonwealth and State are providing financial assistance for geriatric assessment services to fund multi-disciplinary assessment teams to match the needs of frail aged and younger disabled persons to the most appropriate services available. These teams operate from a number of hospitals throughout the State. Local Councils are also involved to varying degrees in the provision of various community services. In some cases Local Government provides substantial support for the co-ordination of services within their area including the provision of accommodation to locate all services within the same facility.

5.39. The Committee considers there is scope to promote the level of inter-agency contact, particularly in the light of the H.A.C.C. program and its aim to provide services on a co-ordinated basis. The Committee further considers that the Home Care Service should specifically aim to enhance its liaison with other agencies to improve the service delivery to clients.

Reassessments

5.40. The general policy within Home Care is that clients should be reassessed each six months to determine if there is a continuing need for the service. In times of funding restrictions it could be expected that reassessments would be more frequent and more rigorous to ensure that the number of hours available to the branch were being utilised in the most effective manner.

5.41. The Committee had the opportunity to accompany branch staff on a limited number of reassessments. In most cases the reassessments were little more than a confirmation that the existing level of service was suitable to the client and was required for an ongoing period. There did not appear to be any detailed consideration of whether the provision of service had achieved any stated goals, whether the

client condition had improved/deteriorated from the previous assessment and changes in other factors i.e. family support or other agency assistance.

5.42. Overall, client turnover appears to be low. The prevailing attitude, particularly for aged clients, seems to be that once a client is receiving a certain level of Home Care Service that service should continue.

5.43. In most branches which the Committee visited client waiting lists had been established. It might be expected that the mere existence of a waiting list would result in more frequent reassessments. However, the emphasis appears to be on the assessment of new clients for the service, irrespective of the availability of hours and not on reassessments to establish a continuing need for the service.

5.44. The result is the addition of new clients to the service, particularly in the case of crisis care patients with an immediate need, offset by some degree of reduction in service to existing clients. The reduction in services is somewhat arbitrary and although consideration is given to the impact on the existing client the reduction is essentially achieved simply by "juggling the hours".

5.45. The Committee recommends that a higher priority be attached to reassessment procedures. Clients in continuing care should be reassessed at least each six months. Crisis care clients should be reassessed more frequently and removed from service once the need for service has passed-. Regional Liaison Officers should also be involved in a review of reassessments within branches as part of the enhanced consultative process referred to in recommendation 4.19.

Fees

5.46. The rationale for the payment of fees for Home Care Services is based on the premise that a contribution towards the cost of the service enhances the client's dignity as a consumer of the service. Current Home Care policy is that provision of services should be on the basis of need, not on the client's ability to pay for the service and the full fee is considered to be what the client can afford to pay.

5.47. Fees collected by the Home Care Service are retained by the Service and applied towards total service expenditure. Total fee income for 1985-86 was \$5.1 million and for 1986-87 is estimated at \$6.0 million.

5.48. The current procedures for determining payment of a fee are included in the assessment process. The Assessor and the client negotiate and agree upon a fee based on a general guideline scale of fees issued by the Head Office. The negotiation basically consists of the Assessor asking the client how much he/she is willing to pay for the service, indicating the guideline fee for the particular category and amount of service being provided and agreeing that this amount will be paid for each hour of service delivered.

5.49. Depending on the type of client and the amount of hours being provided the current fee scale ranges from \$0.00 to \$4.75 per service hour. Provision is made for a maximum fee which is almost equivalent to the average hourly cost of delivering the service. It appears, however, that this maximum fee is generally only applied for clients awaiting insurance claims.

5.50. The Committee fully recognises that ability to pay should not be used as a primary eligibility criteria for receiving assistance. However, the Committee is most conscious of the fact that there is a requirement for the Service to

ensure that resources are equitably allocated and that clients with the ability and capacity to acquire commercial services are not utilising resources which could be directed to those without the same level of financial support or other skills and capabilities.

5.51. To this end the Committee reviewed the practicability of introducing a means test for Home Care services, either by way of a strictly income related assessment or more stringent, formalised procedures in the determination of a fee. In this regard the Committee sought advice from a number of professional organisations involved in research and development of welfare issues.

5.52. The main benefit from the implementation of a means test was seen to be the exclusion of some clients who could afford commercial services and who could properly secure such services in the open market. This would provide for redirection of some resources to clients who either lacked the ability to pay or the capacity to negotiate for commercial services.

5.53. Given that the highest category of consumers of Home Care services are the aged and assuming that the majority of clients in this category have, as their principal source of income, the Aged Pension, the Committee considered that ultimately the impact of a means test could be minimal. In addition, the costs of administering such a test could exceed the benefits gained. This view was shared by the organisations which provided advice to the Committee.

5.54. The Committee also considered a number of other issues associated with implementing a means test. These include:

Means testing criteria which already exist for other pensions/benefits:

The asset rich -V- income poor situation where a person with the apparent ability to pay may not in fact have a sustainable disposable income level; and

Privacy issues associated with means testing. The Home Care Service does not possess the legislative authority to review the financial status of clients.

- 5.55. One of the general premises upon which Home Care operates in determining a fee with the client is that the majority of Home Care clients will opt for a fee that is in the higher end of the range set by Home Care. In Home Care's view, any more rigorous approach to fee assessment questions the honesty and integrity of clients.
- 5.56. Statistics available from the Home Care Service do not substantiate this premise. During 1984-85 total income from fees amounted to some \$4.9 million or approximately \$1.65 per hour of service given. In 1985-86, although total fees had increased to \$5.1 million, the average fee decreased to \$1.62 per hour of service given. Taking one four-weekly operating period in 1986-87 (17 November to 14 December) the average fee had further declined to \$1.57 per hour of service.,
- 5.57. The Committee noted from its visits to various branches that the attitude to fee assessment varied. In some branches a conscious effort was made to ascertain the appropriate fee which the client could afford to pay for the particular level of service. In other branches, however, the prevailing attitude focused on the Service being a Government funded organisation and that the client had a right to service, irrespective of financial circumstances. In these cases fees represented either a minimal contribution or no payment was made at all.

5.58. When undertaking reassessments the Assessor also discusses with the client the appropriateness of the current fee. It was apparent to the Committee that in a number of cases, although the client may have had the ability and willingness to pay more for the particular level of service, there was generally little encouragement by 'the Assessor to increase the level of the current fee.

5.59. Corresponding with the decline in average fee recouped per hour of service, the average cost of providing one hour of service is increasing (discussed in next section). The Committee fully appreciates that the ability to pay a fee should not be used as a determining factor in assessing the need for service. It is a fact, however, that the cost of operating the Home Care Service is increasing and some positive action needs to be taken to redress the growing disparity between the cost of providing the service and the level of fees recouped.

5.60. The Committee recommends an immediate review of the current fee guidelines; The upper limit of the range of fees should be increased to the assessed average hourly cost of providing the service. This should be adopted for all clients not only those clients serviced as insurance cases. The aim of the review should be to implement more rigorous guidelines for the assessment and collection of fees and the guidelines should be subject to annual review..

Cost of Service Delivery

5.61. In 1984-85 there were approximately 32,000 households receiving some 240,000 hours of service in each four-week period. The average cost of providing one hour of field service was \$12.22 which includes Head Office, Regional and Local administrative costs, salaries and travelling expenses of field staff, etcIn 1985-86 the number of households had increased to 34,000 (June 1986) receiving

244,000 hours of service each four-week period. The average cost of providing one hour of field service was \$13.57.

5.62. For the four-week period 17 November to 14 December 1986, the average cost of one hour of field service had increased to \$14.51, i.e. an 18.7% increase on the 1984-85 average cost. The substantial increase was due primarily to the impact of an industrial agreement which provides Award Wages for all administrative and field staff, the full effect of which will be felt in 1986-87.

5.63. These figures, however, only represent the average cost State wide. The Committee has reviewed the average cost in a number of branches within regions and has noted substantial variations between regions and between branches within regions.

5.64. Appendix 9 provides selected statistics for various branches within each of the ten Home Care Regions. As previously mentioned the branches were selected on their comparability of households serviced and it must be remembered that the statistics may not be strictly valid representations of an average four weekly operating period.

5.65. Despite this factor, the statistics highlight the variations discussed earlier in this section on:

- Allocation of branch hours;
- Assessment procedures;
- Fees; and
- Cost of service delivery.

5.66. A further example of the variations which can occur between branches is that between Wagga Wagga and Coffs Harbour.

The following is a comparison of selected client and service statistics for the two branches:

	<u>Wagga Wagga</u>	<u>Coffs Harbour</u>
Total Households	324	323
Field Hours	2,612	2,682
Administrative Hours	729	533
Total Hours	3,341	3,215
Staff		
EFT Field	17	17
EFT Administrative	5	3
Av. Cost/Field Hour	\$16.38	\$14.28
Av. Fee/FieldHour	\$ 0.96	\$ 1.54

5.67. Both branches service approximately the same number of households, yet the Wagga Wagga Branch has substantially higher administrative hours (36.8%) with two additional administrative staff. Average cost per field hour is also higher in Wagga Wagga than in Coffs Harbour. It is also interesting to note that the average fee collected in Wagga Wagga is also substantially less than that collected in Coffs Harbour.

5.68. Accordingly whilst State averages for the cost of providing one hour of field service may appear reasonable when compared with similar commercial services, the comparison between branches indicates that significant variations are occurring. The Committee appreciates there are a number of factors which can account for these variations i.e. geographical area covered by branches, type and level of services provided to clients and total numbers of households serviced. Nevertheless the Committee is concerned at the variations which emerged within the selected branches in Appendix 9.

5.69. The Committee, therefore, recommends in conjunction with the review of the allocation of branch hours, attention also be given to the cost of providing the service within each branch, particularly in the area of administrative hours and total staffing levels to ascertain the appropriateness of branch operating costs.

6. ACCOUNTABILITY

Legislation Governing the Home Care Service

6.1. The Community Welfare Act, 1982 provided for incorporation of the Home Help Service of New South Wales into an organisation known as the "Home Care Service of New South Wales" and for miscellaneous matters associated with the lodgement of official documents, including its Constitution, continuation of service of employees and transfer of assets and liabilities from the unincorporated to, the incorporated organisation. The Act further provides "The Corporation shall be subject to the control and direction of the Minister".

6.2. The 1982 Act has now been repealed by the Community Welfare Act, 1987. In respect of the Home Care Service, the new legislation contains only minimal variation from the original Act. Legislative provision is now made for the Board of the Home Care Service to manage the affairs of the organisation and for the functions of the Home Care Service to be those as "conferred or imposed on it by the constituent instrument".

6.3. The Constitution of the Home Care Service provides for the aims and objectives of the organisation, establishment of the Executive Board and its powers and responsibilities, and miscellaneous procedural matters connected with the operation of the Service. The Committee is, however, concerned that these matters are not contained in legislation and thereby subject to review by the Parliament. The Committee is firmly of the view that to increase the overall accountability of the organisation to Parliament and to provide greater public scrutiny of the Service's operations the current legislation for the Home Care Service needs strengthening.

6.4. As mentioned, the enabling legislation for the Home Care Service is the Community Welfare Act, 1987. The Committee believes that given the growth in the Service's operations in recent years and the increasing Government financial support to the Service, particularly following the introduction of the H.A.C.C. program, there is appropriate justification for providing the Home Care Service with its own separate legislation.

6.5.. The Committee recommends that the Minister give consideration to the practicability of providing the Home Care Service with separate legislation; This legislation could encompass the aims and objectives of the Service and those matters currently included in the Service's Constitution relevant to its operations and activities and any other matters which the Minister considers should be specified in legislation.

Role of the Minister

6.6. At present, legislation provides that the Home Care Service "shall be subject to the control and direction of the Minister". In addition, the Constitution of the Service empowers the Home Care Service Executive Board with responsibility for management of the Service and requires that the Board shall report directly to the Minister for Youth and Community Services. The Constitution of the Home Care Service also requires the Minister's approval prior to amendment.

6.7. Whilst these requirements provide scope for Ministerial oversight and control of the organisation, it is not clear to what degree this control can be practically exercised, particularly in view of the other responsibilities associated with the Minister's portfolio. Further, neither the Community Welfare Act, 1987 nor the Home Care Service

Constitution clearly defines the respective roles and relationship between the Minister and the Executive Board in respect of the operation of the Home Care Service.

6.8. The Committee considers it is incumbent upon the Executive Board of the Home Care Service to ensure that the Minister is at all times informed and aware of the activities of the Service.

Operational Accountability

6.9. The Home Care Service is subject to the Annual Reports (Statutory Bodies) Act, 1984 and is thereby required to submit to the Parliament an Annual Report which includes details on the structure and operations of the organisation and information on financial operations including a statement of income and expenditure, balance sheet, source and application of funds and comparisons with previous year's results where appropriate.

6.10. The increasing emphasis on public sector accountability and achieving value for money has led to the recognition of the need for improving performance measurement and reporting in the public sector, both to assist management in monitoring its effectiveness and efficiency and to demonstrate this performance to the public.

6.11. Measurement of performance requires the definition of a standard or objective against which the actual results can be compared. The Committee appreciates the difficulty in establishing clearly defined objectives where the function of the organisation is to improve the general well-being of a group or groups of persons.

6.12. Nevertheless the Committee had difficulty in assessing the overall effectiveness of the Home Care Service due to the lack of specified objectives. The Committee, therefore,

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recomends that clear and quantifiable objectives be established against which the Service's performance can be measured.

FinanCial Accountability

- 6.13. Funding for the Home Care Service is provided through an allocation to the Minister for Youth and Community Services. In the 1986-87 Budget Estimates the allocation is shown as a single line-item within the 'Grants and Subsidies' Section for Program 59.1.4 'Family and Individual Support Services'
- 6.14. After endorsement by the Home Care Executive Board, annual budget estimates are submitted to the Treasury. These estimates are subject to Treasury review and an allocation is determined which has regard to the level of Commonwealth funding to be made available during the financial year and Commonwealth requirements for the State matching of expenditures. The amount appropriated within the State Budget to the Home Care Service represents the estimated expenditures for the financial year in respect of anticipated Commonwealth and State financial assistance. The Budget Estimates, which now make provision for Total Payments do not indicate total expenditure by the Home Care Service which includes fee income retained by the Service and applied towards operating expenditures.
- 6.15. The Committee understands that the Home Care Service is subject to monthly reporting and review requirements imposed by Treasury to monitor actual expenditures compared to the Budget estimate to ensure the Budget allocation is not exceeded without the specific approval of the Treasurer. An instance of where the Budget could be exceeded with the Treasurer's approval would be where the Commonwealth has provided additional financial support during the year which could not have been anticipated when the Budget was prepared.

6.16. The Committee, however, considers that with the increasing level of Government financial support to the Home Care Service more information should be included within the Budget Estimates in regard to expenditures by the Home Care Service. With the introduction of the H.A.C.C. program it is likely that the increased funding level will be maintained at least in the immediate future. The Committee considers that for an organisation with an anticipated expenditure of some \$57 million in 1986-87 the level of disclosure within the Budget Estimates is inadequate.

6.17. The Committee, therefore, recommends that the Treasurer give consideration to the practicability of including the Home Care Service as a separate program within the Budget Estimates.

APPENDIX 1

NEW SOUTH WALES

The Chairman,
Public Accounts Committee,
Parliament House,
Macquarie Street,
SYDNEY. N.S.W. 2000

Dear Mr. Murray,

Could you please arrange for the Public Accounts Committee to examine the structure, administration and operation of the Home Care Service of NSW and, having regard to changes recently and currently being instituted, to report on:

- (i) the appropriateness of the structure and management of the Service to the most effective and efficient delivery of services to clients
- (ii) the appropriateness of the structure and level of operation to the current and projected needs of people of New South Wales
- (iii) any recommended changes to the structure, management and operation of the Service which would increase its effectiveness and efficiency
- (iv) any recommended changes to the structure, management and operation of the Service which would improve accountability to the community, the Minister and the Government.

Please do not hesitate to contact my office and I will arrange for the Home Care Service to provide necessary assistance.

Yours sincerely,

APPENDIX 2

WITNESSES BEFORE PUBLIC HEARINGS

Date of Meeting Organisation Represented and Witnesses

4th November, 1986

Home Care Service of New South Wales

Mr Roger Pryke, Chairperson

Mr Paul Bullen, Executive Director

Ns Frances Murphy, Co-ordinator

Combined Pensioners Association of New South Wales

* Mr Bill Ottley, President

* Mr John Barber, Research Officer

* Ms Linda Adamson, Research Officer

Department of Youth and Community Services

Mr Heinz Heilpern, Director-General

Mr Garth Nowland-Foreman, Assistant Director, Aged
Services/Home and Community Care

Mr David Marchant, Acting Director, Policy, Planning and
Research

APPENDIX 3

SUBMISSIONS RECEIVED

MEMBERS OF PARLIAMENT

The Hon. P. T. Anderson, Minister for Health
The Hon. K. G. Booth, Treasurer
The Hon. R. M. Cavalier, Minister for Education
The Hon. R. J. Mulock, Deputy Premier and Minister for Transport

Mr Frank Arkell, Member for Wollongong
The Hon. K. G. Booth, Member for Wallsend
Mr Don Bowman, Member for Swansea
Mr Adrian Cruickshank, Member for Murrumbidgee
Mr John Price, Member for Waratah
Mr Matt Singleton, Member for Coifs Harbour

INDIVIDUALS / ORGANISATIONS

Mrs M. Allworth
(The) Australian Quadriplegic Association Ltd, Mr Brian Newton

Mrs L. Bartlett
Benevolent Society of NSW, Ms P. Roberts, Director of Welfare Services
Mrs A. Bigley
Mr D. Blackwood
Miss P. Boland
Alderman K. Bowman
Mrs J. H. Boyd
Ms B. Burnett

Campbelltown City Council, Mr K. L. Garling, Town Clerk
Mr M. J. Clyde
Community Services, Department of (Commonwealth)
Miss H. J. Crook
Ms G. Cummings

Disability Consumer Coalition, Mr I. Cooper, Convenor
Disability Housing Interagency, Ms W. Bowles
Haysa Doupe

Ms P. Ferrari

Ms S. Gordon
Alderman Mrs M. Greaves

Mrs J. W. Hanscomb
Mrs M. Harrison
Health Department of NSW, Western Metropolitan Health Region
Mr E. L. Hogan
Holbrook Concerned Citizens

Home Care Service of NSW Ashfield/Drummoyne Branch Baulkham Hills Branch Berrima Branch
Burwood, Concord, Strathfield Branch Byron Shire Branch Cessnock Branch

Cootamundra Branch Grafton Branch Hawkesbury Branch Hornsby/Kuringai Branch
Kogarah/Hurstville Branch Mona Vale Branch Port Kembla Branch Taree Branch Urana Branch Mrs
L. Howes
Hunter Home and Community Care Forum, Ms B. Cowdroy, Secretary

I.D.E.A.S., Ms J. Stanzel, Project Officer
Illawarra Family Support Service, Ms J. Brisbane, Secretary

Lake Cargelligo District Hospital, T. H. Rees, Chief Executive Officer Local Community Services
Association, Mr S. Robertson, Executive Officer F. L. Locke

Mrs E. Martin
Mrs J. McCarthy
Mrs D.G. McKillop
Mr R. Mellor
Mrs E. Miller
Ms D. Murnaghan

Ms M. Plunkett
Port Macquarie Garden Village, Mr K. Westerweller

Mrs O. Quigley

Ms H. Ray
Mrs N. Robinson

Mr G. See-Kee
Mr & Mrs L. Showyin
Mrs Y. Staff
Mr A. Swain
Sydney Home Nursing Service, Mr D. Penny, Chief Executive Officer

Mrs S. Torpey

Ms P. J. Wettenhall
Mr C. Whitelocke
Ms G. Worsley

Mr G. L. Young

APPENDIX 4

BRANCHES VISITED

<u>Date</u>	<u>Branch</u>
4 December, 1986	Willoughby Parramatta Campsie
December, 1986	Coffs Harbour Port Macquarie
20 February, 1987	Ashfield/Drummoyne Mosman
27 February, 1987	Maitland Mayfield
10-13 March, 1987	Shoalhaven Ulladulla Eurobodalla Parkes Forbes West Wyalong Wagga Wagga Narrandera Leeton Griffith

APPENDIX 5

HOME CARE SERVICES IN OTHER STATES

During the course of this inquiry, the Public Accounts Committee visited Tasmania and South Australia to inspect the provision of Home Care Services in these States. Committee staff also visited Melbourne to investigate the Victorian service. The following is a summary of pertinent aspects of Home Care Services in the three States visited.

1. South Australia

South Australia received Commonwealth funding under the Home and Community Care program of \$4.6 million in 1985-86. Funding for 1986-87 is estimated at \$7.3 million. The Commonwealth funds are matched in prescribed proportions by State funds.

The majority of funds for services equivalent to the New South Wales Home Care Service are provided to the South Australian Domiciliary Care Services. The Domiciliary Care Services are set up on regional lines and are autonomous organisations, in contrast to the centralised Home Care Service in New South Wales.

The Committee visited the Southern Region Domiciliary Care Service. Clients are referred by the District Nurse and service provision is based on a medical model. Clients are not charged for services.

Personal care services are provided by the Royal District Nursing Association. Assessments are undertaken by multi-disciplinary teams.

The Department of Community Services is funding a pilot program 'Community Options', to obtain information on alternative, effective methods of assessment. The aim of the program is to assess people immediately prior to their likely entry to institutional accommodation by identifying which unmet needs are causing the move (e.g. home maintenance, washing/ironing, weekend meal preparation). The program is also reviewing the total cost of supporting the person at home which ideally should not exceed the cost of institutional care which the person would have otherwise required.

2. Tasmania

Commonwealth assistance to Tasmania under H.A.C.C. amounted to \$1.7 million in 1985-86 and is estimated at \$2.4 million in 1986-87.

Home Care Services in Tasmania are operated through hospital-based service organisations such as Nursing Care Services and District Nursing Services. In Hobart, for example, the Community Health Home Care Service is co-ordinated and carried out by the nursing staff attached to the Royal Hobart Hospital. Services outside Hobart are run through hospitals, district nursing centres and in some cases, doctor's surgeries.

Client assessment is undertaken by the Community Health Nurse. Assessment is based on the physical, social and psychological needs of the client with consideration to the total family situation.

3. Victoria

Home Care in Victoria has traditionally been undertaken by Municipal Councils. There is no requirement for Councils to provide the various domiciliary services and this has resulted in variations across the State in the types and level of services provided. Some Councils have committed considerable resources to home help/home maintenance and have developed extensive community service programs incorporating day-care, home-help, meals on wheels, transport services, community nursing, home maintenance, senior-citizens centres etc.

APPENDIX 6

HOME AND COMMUNITY CARE PROGRAM

Under the Home and Community Care Act 1985 the Commonwealth, in conjunction with the States and the Northern Territory, aims to develop a comprehensive range of basic maintenance and support services to enable frail aged and disabled people to remain in the community rather than be placed in possibly inappropriate and unnecessary institutional care. H.A.C.C. subsumes services previously provided under the Delivered Meals Subsidy Act 1970, States Grants (Paramedical Services) Act 1969, State Grants (Home Care) Act 1969 and the Home Nursing Subsidy Act 1957.

The principles and goals of the program include:

- to promote the provision of a comprehensive and integrated range of home and community care services, both directly and through their carers, to both the aged and younger people with disabilities who are at risk of premature or inappropriate long term residential care;

- to expand and develop home and community care services through the joint co-operation of the Commonwealth, the State, Local Government and community organisations representing both service providers and users under a single cost-shared arrangement;

- to ensure equal access to home and community care among all groups within the target population;

- to ensure that, within available resources, priority is directed to persons within the target population most in need of home and community care;

- to provide for persons within the target population an effective and integrated means of assessment of the need for and referral to home and community care services;

to ensure that, within available resources, home and community care services are provided equitably between regions and are responsive to regional differences;

to ensure that home and community care services are delivered in a manner that is cost-effective, achieves integration, promotes independence and avoid duplication.

The H.A.C.C. program is intended to provide a broad range of basic maintenance therapeutic, supportive and preventative services to ensure a satisfactory standard of health, nutrition and social well-being for the client. It is envisaged that the services may be provided in a client's home, a client's carer's home or in or from community based centres such as day care centres, Senior Citizen's Centres etc. The range of services funded under H.A.C.C. are wider than service types which were funded through the State's Grants (Home Care) Act (and other related Acts). The services which can be provided are:

- home help or personal care (or both)

- home maintenance or modification (or both)

- food (eg delivered meals)

- community respite care

- transport

- a community care paramedical service

- community care nursing

- assessment or referral

- education or training for service providers or users

information

co-ordination

During the first three years of the program emphasis will be placed on planning, co-ordinating, testing and evaluating new approaches to financing and service delivery, new service types, improved local and State co-ordination and on developing a national data base for effective monitoring of the program.

The operation of the H.A.C.C. program will impact on the services being provided by the Home Care Service. Of necessity the Service will be required to contribute towards co-ordination of various community services designed to improve access to and effectiveness of services to clients. The Home Care Service is reviewing the implications of the H.A.C.C. program on the type and level of service provision currently undertaken.

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APPENDIX 7

PRINCIPLES OF HOME CARE

(Extract from 1985-86 Annual Report)

PRINCIPLES

.Home Care services are provided in the home, not to someone living in an institution.

Home Care is given on the basis of need.

Home Care is given to people who have the least resources to cope, be they financial, emotional or familial.

.When servicing clients and employing staff, Home Care does not discriminate on the grounds of sex, race, marital status, physical or intellectual disability or homosexuality.

Home Care is organised through Branch Committees which are made up of interested local people.

Home Care is committed to the development and support of the local community and support of Branch Committee Members to help them plan and conduct a local service.

The Service aims to be an important part of the home support network at local, regional and state levels. Home Care Branches should work in close co-operation with other health/welfare agencies in the area, in order to provide a comprehensive range of services to the local community.

Home Care Branches should not duplicate a service which already exists in the local area. However, where there is a need for a new service which Home Care cannot provide, e.g. Meals on Wheels, Single Parents Support Group, Child Care Centre, the Branch should work with other agencies to try to get funding for needed services.

Home Care values the work of all its staff and seeks to be a just employer. Rates of pay and conditions of work are clearly defined for all branches to follow. The rights and entitlements of volunteers should also be respected and followed.

Clients who receive Home Care services have the right to self-determination.

Home Care upholds the principle of confidentiality about all matters regarding clients.

Resources, including funds, are provided to Branches on the basis of need.

The Service is managed at all levels so that it is economic, efficient and effective.

Home Care seeks to support special needs groups. Branches should make every effort to reach out to groups in the community who may not know about the services but may be in special need of support.

The Home Care Service recognises the unique racial and cultural identity of the Aboriginal people and their right to self-determination.

APPENDIX

ALTERNATIVE ORGANISATIONAL STRUCTURES

As part of its reference the Committee considered alternative organisational structures through which the Home Care Service could operate. These include:

- Inclusion within a Government Department; Independent
- Incorporation of Branches;
- Local Government Framework;
- Statutory Authority.

Inclusion within a Department

As a Division within a Department (or even a separate Department) the role and responsibilities of the organisation would be obtained from Ministerial direction with an appropriation of funds by Parliament. The main advantage of this model would be to increase the organisation's accountability to the Minister.

Inclusion within a Department could, however, have financial and administrative implications for the organisation. Despite the level of Government financial support the Service is currently perceived by clients as a joint Government/community based organisation. The level of voluntary community input, particularly with Branch Committees, may decline if the organisation was viewed as a Government Department.

A further consideration is that inclusion within a Government Department could place increased administrative demands on both the Home Care Service and the Department to which it was transferred. Ultimately this could detract from each organisation's operations and priorities. Also the Commonwealth could seek to reduce its funding level on the basis that some administrative functions could be undertaken by the State Government Department to which the organisation was transferred.

Independent Incorporation of Branches

This model would require a complete reversal of structural changes implemented in Home Care in the last two to three years. Central and regional office operations which would be responsible for setting overall priorities and standards, and allocation of funds could be maintained through a Government Department. Service delivery at the local level could be contracted to local community organisations, including Local Councils.

Whilst there may be some advantages in this model in that responsibility for service delivery, enforceable by contract, may promote continuing local involvement, there could be significant cost implications. Even though there would still be some level of central management a number of functions i.e. training, administrative systems and supplies, would require duplication in each of the branches. Ultimately this would encroach into the level of resources provided to client services.

Local Government Framework

In Victoria home help services are delivered through Municipal Councils.

Councils provide significant financial support to the program and are responsible for establishing the local service and employment of home help supervisors and home aides. Overall program co-ordination and liaison with the Commonwealth Government is through Community Services Victoria.

In New South Wales Local Councils are involved to varying degrees in the provision of home help services. This extends to the provision of accommodation and use of Council facilities through to involvement of Council welfare officers in co-ordination of home care with other services i.e. meals on wheels, community transport and senior citizen's centres.

Overall in New South Wales Local Government does not have a tradition of involvement in welfare services. Adoption of this model may require changes in current financial arrangements to pass on funds to Local Government and would require increased accountability procedures.

Statutory Authority

Although the Home Care Service is incorporated by Statute it is not representative of a typical public sector statutory authority. The Committee considers however that the current organisational structure i.e. a statutory authority, is the most appropriate for ensuring an effective service delivery to clients. Given the entrenched operation of the New South Wales system the alternatives reviewed each have deficiencies which are either too costly or not practicable to rectify.

The Committee does consider there is scope to strengthen and improve the current structure. Comment and recommendations on this matter is contained in Chapter 6 'Accountability'.

APPENDIX 9

BRANCH STATISTICS

REGION:	CENTRAL METROPOLITAN	
BRANCH:	ASHFIELD//DRUMMOYNE	CAMPSIE
MARRICKVILLE		
Field Hours	2,589	2,925
3,157		
Admin Hours	649	811
812		
Total Hours	3,238	3,536
3,969		
Admin % of Total Hours	20.0	17.3
20.5		
Total Househlds	488	462
470		
Av. Hours Client/Week	1.32	1.58
1.67		
Staff EFT Field	17	19
20		
EFT Admin	4	4
5		
Av. Cost/Field Hour	14.24	13.97
15.70		
Av. Fee/Field Hour	1,78	1.67
1.47		

BRANCH STATISTICS

REGION:	NORTH EAST METROPOLITAN		
BRANCH:	MANLY	WILLOUGHBY	HORNSBY/KURINGAI
RYDE/EASTWOOD			

Field Hours	2,675	2,576	4,700
	5,281		
Admin Hours	365	425	770
	975		
Total Hours	3,040	3,001	5,470
	6,256		
Admin % of Total Hours	12.0	14.2	14.1
	15.6		
Total Households	440	459	825
	831		
Av. Hours Client/Week	1.51	1.40	1.42
	1.58		
Staff EFT Field	17	16	30
	34		
EFT Admin	2	3	5
	6		
Av. Cost/Field Hour	12.33	15.52	14.78
	14.34		
Av. Fee/Field Hour	1.73	2.85	2.08
	1.79		

BRANCH STATISTICS

REGION:	NORTH WEST METROPOLITAN		
BRANCH:	AUBURN	BAULKHAM HILLS	PENRITH
Field Hours	3,002	3,497	3,702
Admin Hours	598	653	617
Total Hours	3,600	4,150	4,319
Admin % of Total Hours	16.6	15.7	14.3
Total Households	362	395	384
Av. Hours Client/Week	2.07	2.21	2.41
Staff EFT Field	19	23	26
EFT Admin	4	4	6
Av. Cost/Field Hour	13.28	13.03	14.64
Av. Fee/Field Hour	1.55	1.17	1.82

BRANCH STATISTICS

REGION:	SOUTH WEST METROPOLITAN		
BRANCH:	CAMPBELLTOWN	CHESTER HILL	LIVERPOOL
Field Hours	5,028	3,185	4,228
Admin Hours	909	520	814
Total Hours	5,937	3,805	5,042
Admin % of Total Hours	15.3	16.3	16.1
Total Households	453	427	442
Av. Hours Client/Week	2.77	1.86	2.39
Staff EFT Field	33	20	27
EFT Admin	8	4	5
Av. Cost/Field Hour	14.51	12.38	18.83
Av. Fee/Field Hour	0.51	1.71	1.30

BRANCH STATISTICS

REGION:		HUNTER				
BRANCH:		Belmont	NAYFIELD	TAREE	SCONE	
SINGLETON						
Field Hours	2,905	2,775	3,547	315	815	
Admin Hours	584	749	609	64	135	
Total Hours	3,489	3,524	4,156	379	950	
Admin % of Total Hours	16.7	21.3	14.7	16.9	14.2	
Total Households	474	457	490	56	56	
Av. Hours Client/Week	1.53	1.51	1.81	1.40	3.63	
Staff	EFT Field	19	18	23	2	5
	EFT Admin	4	5	4		
Av. Cost/Field Hour	12.69	13.54	15.62	14.54		
	14.42					
Av. Fee/Field Hour	1.81	1.67	1.57	2.25	1.25	

BRANCH STATISTICS

REGION:		ILLAWARRA			
BRANCH:		PORT KEMBLA	SHOALHAVEN	KIAMAFAR	
SOUTH COAST					
Field Hours	2,977	3,305	989		
	1,126				
Admin Hours	588	594	265	249	
Total Hours	3,566	3,899	1,254		
	1,375				
Admin % of Total Hours	16.5	15.2	21.1	18.1	
Total Households	448	429	136	139	
Av. Hours Client/Week	1.66	1.92	1.81	2.02	
Staff	EFT Field	19	21	6	7
	EFT Adair	4	4	1	1
Av. Cost/Field Hour	13.30	14.73	14.52		
	16.30				
Av. Fee/Field Hour	1.17	1.62	1.47	2.12	

BRANCH STATISTICS

REGION:	NORTH COAST							
BRANCH:	BYRON BAYCASINO	MURWILLUMBAH	COFFS HARBOUR	TWEED HEADS				
Field Hours	922	1,180	1,297	2,682	2,374			
Admin Hours	291	256	365	533	497			
Total Hours	1,213	1,436	1,662	3,215	2,871			
Admin % of Total Hours	24.0	17.8	22.0	16.6	17.3			
Total Households	148	146	144	323	351			
Av. Hours Client/Week	1.55	2.02	2.25	2.07	1.69			
Staff EFT Field	6	7	8	17	15			
EFT Admin	2	1	2	3	3			
Av. Cost/Field Hour	14.39	13.75	15.45	14.28	17.97			
Av. Fee/Field Hour	2.05	1.20	0.82	1.54	1.25			

BRANCH STATISTICS

REGION:	NEW ENGLAND							
BRANCH:	ARMIDALE	TAMWORTH	GUNNEDAHT	TENTERFIELD				
Field Hours	2,831		1,926	594	547			
Admin Hours	632		408	155	126			
Total Hours	3,463		2,334	749	673			
Admin % of Total Hours	18.3		17.5	20.7	18.7			
Total Households	273		257	63	63			
Av. Hours Client/Week	2.59		1.87	2.35	2.17			
Staff EFT Field	18		12	3	3			
EFT Admin	4		2	1	--			
Av. Cost/Field Hour	15.41		14.17	14.35	14.37			
Av. Fee/Field Hour	1.06		1.56	1.40	1.26			

BRANCH STATISTICS

REGION:	WESTERN REGION				
BRANCH:	DUBBOPARKES		COBARLITHGOW		MUDGEE
Field Hours	1,277	1,932	646	812	793
Admin Hours	327	318	139	202	200
Total Hours	1,604	2,250	785	1,014	993
Admin % of Total Hours	20.4	14.1	17.7	19.9	20.1
Total Households	213	204	88	86	89
Av. Hours Client/Week	1.49	2.36	1.83	2.36	2.22
Staff EFT Field	8	12	4	5	5
EFT Admin	2	2	--	1	1
Av. Cost/Field Hour	13.31	12.39	17.15	14.21	13.17
Av. Fee/Field Hour	2.15	1.75	0.53	1.24	2.37

BRANCH STATISTICS

REGION:	RIVERINA/MURRAY				
BRANCH=	ALBURY		WAGGA WAGGA	COOLAMON	COROWA
Field Hours	2,909		2,612	791	497
Admin Hours	270		729	165	104
Total Hours	3,179		3,341	956	601
Admin % of Total Hours	8.5		21.8	17.3	17.3
Total Households	399		324	69	69
Av. Hours Client/Week	1.82		2.01	2.88	1.80
Staff EFT Field	19		17	5	3
EFT Admin	1		5	1	--
Av. Cost/Field Hour	13.86		16.38	14.50	13.92
Av. Fee/Field Hour	1.12		0.96	1.61	1.71

MINUTES OF EVIDENCE

TAKEN BEFORE

THE PUBLIC ACCOUNTS COMMITTEE

At Sydney on Tuesday, 4th November, 1986

The Committee met at 9.50 a.m.

PRESENT

Mr J.H. MURRAY (Chairman)

Dr A.J. REFSHAUGB Mr A.P. WALSH

Mr P.M. SMILES

ROGER IRVING PRYKE, part-time Chairperson, Home Care Service of New South Wales, of [REDACTED], affirmed and examined:

PAUL RAYMOND BULLEN, Executive Director, Home Care Service of New South Wales, of [REDACTED], and FRANCES HELEN MURPHY, Co-ordinator, Leichhardt Branch, Home Care Service of New South Wales, of [REDACTED], sworn and examined:

CHAIRMAN: Have each of you received a summons issued under my hand to attend the sitting of this Committee in accordance with the terms of the Parliamentary Evidence Act, 1901?---A.(All Witnesses) Yes.

Normally I ask if the witnesses have written submissions that they would like to have included as part of their sworn evidence. Have you any submissions of that type?---A. (Mr Pryke) No, I have not.

(Mr Bullen) No, only-the material that has already been forwarded.

Q. Is there anything that you would like to add to that material?---A. In the future, yes, but not at this stage.

Mr WALSH: Mr Bullen, can you outline the organization structure of the Home Care Service in New South Wales? ---A. Yes. The organization is a corporation incorporated under the Community Welfare Act and as such could be referred to also as a statutory authority. We look at it as a community organization. It is important to view those three elements in the overall structure of the service. Within that structure a board manages the service and reports to the Minister. The board delegates certain responsibilities to me

as the executive director for the day-to-day management of the service. The staff at the head office and the regional staff handle finance and administrative matters and support the branches. In the field, the branches are the key service points for the delivery of services. They operate within guidelines set by the board of the service. The regional staff supports the branches with that work. In the branch committee's book, a copy of which has been supplied to you, there are a couple of diagrams that outline the structure of the service in more detail.

CHAIRMAN: I note there are twenty members of the board. How do home care branch representatives become members of the board?---A. They are elected by the branches. The different groups of members on the board are on the board in quite different ways.

Q. Obviously local government would, through its organization, elect its members; but what about the other representatives?---A. The board puts together a short list of names for each of the positions and forwards that list to the Minister. The Minister then makes the appointment. That is for the consumer representatives.

Mr WALSH: How do branches actually nominate their representatives on the board?---A. The practice has been that we would send round nomination forms to all the branches within the regions. The branch representatives represent certain regions in the State. Those regions may put forward nominations. Once we receive those nominations we then circulate voting forms for each branch. The branch committees then vote and we tally up the votes from the regions.

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Q. In 1985 the service was proclaimed a statutory authority under the Public Finance and Audit Act. Are you able to inform the Committee of any changes, if any, that have occurred within the service as a result of its being proclaimed a statutory authority?---A. Yes. One immediate effect was the auditing that was done. It is no longer done by private firms. In the past each branch was audited by an auditor of its choice. If the branch were in the country it would get a local auditor to audit its accounts. However, in head office a private accountant was employed to audit the accounts. That practice changed so that the Auditor-General took on that role. In addition, the recommendations and procedures within the service have changed. As an example of that change, previously the service worked on a cash accounting basis. Now our accounts are on an accrual basis, as appears in the annual report. Those types of procedural changes have taken place.

Q. And those changes occurred when accrual accounting commenced?---A. In 1984-85 part accrual accounting was carried out. That practice was improved upon in 1985-86.

Q. When do you expect the service to adopt entirely that method of accrual accounting?---A. Certainly in this financial year. It is almost entirely that way for the 1985-86 accounts but there are a few little bugs that have to be ironed out to improve on that method.

CHAIRMAN: Do you see the use of government auditors as a positive move?---A. From our point of view, yes. It is very positive. Also, being brought within the provisions of the Public Finance and Audit Act was a positive move because the other matters that were brought

with it in terms of changes to accounting and administrative procedures are helpful.

Mr WALSH: Are you able to comment on the effect of the industrial award on your operations? That is the award that came into effect in 1986?---A. Yes. I suppose at one level the effect is that written about in the newspapers, which is that it will cost more. I see that as a secondary issue to some of the real effects taking place. One needs to understand that prior to the award being implemented,

Home Care Service was almost entirely award free. That meant that all the normal types of conditions that one would expect to apply, did not. It meant also that the administrative arrangements needed to run the service were quite simple. For example, prior to the implementation of the awards the field staff were paid only for the time that they spent in a person's home and were paid a single rate of pay. They were paid the same rate of pay for whatever type of work they did and whenever that work was carried out. Under the award the field staff are paid for the time that they spend in a home, for travel time, and the time they spend discussing with the co-ordinator particular clients and what services that they should provide. They are paid different rates of pay for working within normal hours and on weekends and for different types of work.

That means that prior to the award the administrative systems could be very simple; after the award they became far more complicated. They were not more complicated than other similar organizations with awards, but just a lot more complicated than they were within home care. Enormous administrative changes have taken place during the year. One would only have to talk with branches and branch staff and say 'What has caused you more additional work than anything else" and it is implementing the awards. I think that is one area.

Another area is clearly the conditions in the past were very inappropriate. The staff really had very poor working conditions and rates of pay and they have been made to a more reasonable standard. Another overall comment is that prior to the awards quality of the management in the branches did not have a large impact on the cost effectiveness of branches. So, you could have poor management but it would not cost you any more money. For example, the administrative staff were paid for a certain number of hours per week. Under the award they have to be paid for all the time they work, not just the time we were prepared to pay them. That means that in the past, if they were running a very inefficient branch, they put in extra time on a voluntary basis. Now it means we end up paying additional hours at overtime rates. So, in the past poor management did not mean higher costs whereas at present, with the awards, it does. That is why there has been such a move in the past twelve months to do an enormous amount of reviewing and restructuring of all the administrative arrangements to make sure the costs do not escalate because of the changes.

Q. Does the award cover both field workers and the administrative workers?---A. Yes. There are two different awards. One is for the co-ordinators and the assessors. That is an interim award which is soon to be replaced by a first award. The other is an award for field staff which is a State award which may or may not be replaced by a federal award shortly.

Q. Did the introduction of the awards come about by industrial action by field workers or the initiative of management, or what? Can you give us a history of the introduction?---A. The history actually goes back to about 1943 or 1944 when the service started. At that stage it became apparent that it was not possible to get awards for staff doing the sort of work that the home care field staff did. For many years there was just no award possible because of certain legal requirements. The situation took its present course in about 1980. In 1980 the board started to review what were appropriate wages and industrial conditions because the service was starting to grow and there were starting to be a lot of anomalies. The board started that process to look at that and then basically it spent the next five or six years in the industrial courts. There has been a long process through the courts. There has been a mixture of management looking at what would be appropriate conditions and coming up with what should be negotiated,

CHAIRMAN: Who is the management?---A. The board and head office, like the executive director or other head office staff. Both those groups have looked closely at it.

Q. How many people would be in the head office staff?---A. The total head office staff at the moment in permanent full-

time positions is thirty-four. They are responsible for a range of administrative and funding things as well as industrial things. In head office at the moment there would only be two or three staff involved in industrial issues.

Mr WALSH: What are the other major features of the award, besides travelling and the wage?---A. The major features of the field staff award are that the workforce was employed on a casual basis and if you look at the hours people work per week, they vary enormously. If you looked at a graph, it would go up and down very much. That meant trying to get award conditions for those people we actually broke new ground. A lot of other awards would say people have to work a set number of hours per week. Like, part-time employees work twenty hours per week every week, and we were saying in home care you cannot do that. Because of clients dying and going to hospitals and fostering we cannot have someone guaranteed exactly every week twenty hours a week. We have developed a notion of what we call a guaranteed minimum number of hours. We have said we will guarantee a person a set minimum number of hours. We would normally expect them to work more hours than that, which can fluctuate, but it will not go below a certain level.

Q. Is that over a month or a week?---A. It is on a weekly basis.

CHAIRMAN: What is it?---A. It varies with each employee. The amount is negotiated with each employee. Although we have over 6 000 field staff, the average number of hours they work each week is about eleven and there is a lot of variation. We have people working a few hours a week up to thirty-four or thirty-five hours a week.

Q. Ms Murphy, how many people work in your area?--- A. (Ms Murphy) We have about fifty-five field staff. That includes four handy people.

Q. So you had to take each of those fifty-five field staff and negotiate a minimum number of hours? A. Well, according to a formula. The formula is significantly below what they usually work. It is 75 per cent of their average. So it really only is a protection when there is a significant drop.

Q. Did you have to go and discuss with each of those fifty-five operatives under your control and work out a figure? ---A. We worked it out ourselves on a theoretical basis and got approval for that and then negotiated with our staff.

Mr WALSH: Where did you obtain that approval?---A. I guess the approval came because it was the first time and it had to fit in with our budget.

Q. But where did it come from?---A. (Mr Bullen) It came from head office.

Q. Do you find that although the award is flexible in many ways, you find it is inflexible in that you have an individual worker underproductive or having to find work for them in a given week? Does that happen out there in the field? ---A. I suppose there are two different answers.

CHAIRMAN: Well, let us have the two answers.---A. There are the State and federal perspectives. At the moment, at the State perspective, it does not appear to be a problem, but because we have just introduced the award we are monitoring a number of things about it and we want to look at it. I think what is in the award needs to be seen in terms of what were the alternative possible awards that might have eventuated. In that

context the award is very flexible compared with a number of alternatives that might have been put up to the Industrial Commission. We still have to very closely monitor, especially the effect of paying people for not doing anything, if they drop below their guaranteed minimum hours. That is the reason why in the first instance we wanted to monitor that at head office. Ms Murphy said she had head office approval, that is so we had base figures and we could monitor them and see how they were implemented. We would not normally expect that sort of approval to be made at head office as an ongoing thing. That should be done at the branch level.

Mr WALSH: Could you supply the Committee with a copy of the two awards?---A. Yes.

Q. How are the service objectives of your organization determined?---A. (Mr Pryke) Initially they were determined historically. In 1943 we commenced as the Housekeeping Emergency Service organized by women's organizations to support women whose husbands were at the war. The services were provided mostly at times of crisis and pregnancy. Initially we provided a live-in housekeeping service when the client was sick, or went to hospital to have a baby. For ten years until about 1956 that was the basic form of home care provided. So, the live-in housekeeper was our main employee. Approximately thirteen or fourteen years later the elderly commenced to become a bigger client group. That has been the main development of our organization, to the extent now that 70 per cent of our clients are the aged. We still maintain the live-in housekeeper service, but the home aide to do housekeeping work and personal care work is the main service we provide. We are meeting needs in the community as established by the members of our three or four women's organizations. As matters developed, meetings between representatives of community branches and head office determined, through their executive committee, to direct services to where the need seemed to be most warranted. We have since developed more sophisticated means of determining the unmet needs in the community of people requiring a domiciliary service along the lines allowed by our constitution. We have looked at the work of overseas organizations and at the services provided by other bodies. Our services are determined by the funding we receive and the fees we collect from our clients. We must consider what other services are available, such as Meals on Wheels and community nursing.

Depending on what is available, we provide either more or fewer services. We have an ongoing policy of supervision and discussion to determine what needs we can meet. Recently our policy has been affected by the Home and Community Care programme which clearly specifies the subprogramme areas in which they will provide additional funds for domiciliary services.

Q. As an organization do you purposefully review your objectives yearly or six-monthly? You have mentioned ongoing services. What did you mean by that?---A. In the past few years we have developed a corporate plan, which we review every six months or so. We look at that plan more seriously for long-term effects at the end of the year than we do during the middle of the year. We carefully review the corporate plan to determine whether we are meeting our objectives and whether other objectives should be removed or included.

Q. Have you prioritized the objectives of your corporate plan?---A. Yes. We have always had as our main aim to provide services that will keep people independent in their own homes in order to prevent or delay them having to go into an institution.

Q. Depending on the HACC philosophy?---A. Yes.

Q. How does the Home Care Service board determine its performance measurement? How do you determine whether you are performing adequately in the field? How do you know whether you are achieving your objectives? Do you receive feedback as to whether clients are happy and whether you are actually implementing those services necessary to achieve your

objectives?---A. (Mr Bullen) There is a range of ways. We look at different sorts of performance levels. Branches provide head office with what are called forms 5 and 6. Form 5 is a collection of statistics of services provided by the branch, including turnover of clients, who receives how many hours, what sort of service, and so on. Form 6 is a financial return that details where money has been allocated, so much on wages and so much on travel. Branches forward those forms on a four-weekly basis. We use them to pick up broad trends in services, changes in services, financial costs and overtime. At a broad level that is a performance indicator, because it shows the services provided and the cost. At a deeper level there is a more significant question as to whether the services we provide are actually of benefit and are they meeting the actual aim of the Service, which is to keep people out of institutional care and solve their short-term crises.

That is more difficult to assess. This year, and to a lesser extent last year, we have conducted research projects. For example, recently we did a random survey of 300 clients. They were asked detailed questions as to the sort of service provided to them and what would happen if they did not receive it. We see us continuing to undertake such surveys. However, they are more of a one-off approach, because of the detailed nature of the work.

With the change in the administrative systems and computerization of branches we are quite confident that branches, regional and head office, and therefore the board, will have a much better information base. Data can be manipulated so

much more easily with computerization than under the current system. I should say, however, that the current system of four-weekly reports is excellent. It is probably one of the better systems.

Q. How current is it?---A. The basic model of the form 5 and form 6 has been in operation since about 1980. Also, data on all branches has been provided since then. When one compares that model with other similar organizations or, for example, how under HACC they are trying to set up a national data base, it is apparent that the information we provide usually is far better and more detailed than other similar bodies. So our base information on service and financial matters is good.

(Mr Pryke) Also, we use the form 5 monthly to try to assess how we are going with services for which we have a special priority. For example, in the past few years we have been more aware of the need to provide Aboriginal services and ethnic services. Given the percentage of population, particularly of the ethnic community, those services have been underrepresented. We are carefully monitoring input to determine whether we can increase the service provided to ethnics and Aboriginals.

Q. You do that by determining the usage of those services?---A. Yes.

(Mr Bullen) Over the past few years there has been a significant increase in the service provided to those two groups. In the past few years services provided to Aboriginals have increased from slightly above nil to about a proportional

representation of population. We believe the service must be increased further, because of the relative need, but at least that is a big improvement. The same can be said of non-English speaking people. The service provided to that group has increased from 2 per cent to a bit over 8 per cent. It must be increased further, to 13 per cent or 15 per cent.

CHAIRMAN: In terms of cost effectiveness have you compared interstate services and their costs of delivery as a benchmark?--A. No, we have not done any detailed comparison. Part of the reason for that is the different way in which services are structured in different States. In some States services are provided by the Health Department models; in other States it is provided by local government. When one looks at proportionate costs it is difficult to make a comparison.

Q. If they are delivering the same service and say, that in South Australia, the Health Department delivers a service at half the cost you deliver it, would not that be a worthy benchmark?--A. I agree with that. The difficulty is to sort out how the services are provided. Taking the Health Department, the home support service is a small fraction of the Health Department's overall services, but has access to all Health Department resources. So there are difficulties in costing expenditure on home care. We are set up in such a way that we can easily determine the cost of our home care services. With some of the other structures that is not so black and white. It could be done and perhaps is something that we should look at.

Mr WALSH: You receive data from the branches. Do you provide the branches with feedback on that data, and perhaps the quality of it?---A. Although branches collect the information for head office, more importantly that information is the sort of information they would have to collect for their own management, and is useful to them. That certainly applies to the form 5 and form 6 information. We provide regional and State totals and trends based on that information. At different times in the past we have provided graphical presentation of that information. I have supplied a copy of a booklet of graphs showing much of that information. That was done a couple of years ago. We discontinued that practice and have started it again this year. We are about to publish much of that information so that they may be aware of regional and State trends on a range of issues.

Also, we want to produce a branch review sheet that will take key information from branches and put it in a format that looks at key variables. That will require some calculation to determine, but will be a simple computer process. That will allow production of a summary page for a branch, setting out overtime and all other key trends. As I say, that was done previously, has not been done in the past couple of years because of a range of computer difficulties, which have now been sorted out, and we expect it will be available for branches in the next six or eight weeks. That will be produced in an ongoing way for regional and head office staff.

(Mr Pryke) Another factor, because of our historical past, is that we have looked at whether access to services has

been provided equally throughout the various State regions. Because Some regions knew better than others what they wanted, and were better able to present a submission model, some regions received far more service than others. We determined throughout the ten regions in the State what each region had been receiving and what would be an equitable needs basis.

We are now moving to redress that imbalance. That has been achieved by careful collection and interpretation of data.

Q. Ms Murphy, would you comment on the feedback you receive as a branch co-ordinator and whether you would like to

(Ms Murphy) receive more information?---A./We gather data on our own branch, and are familiar with that. Also, we have received a document comparing branch statistics both within the region and throughout the State. It would be of interest to compare other branches. However, our prime concern lies within our own branch and whether our statistics adequately represent the community.

CHAIRMAN: No doubt you would be interested in what other branches receive by way of funding, staffing and hours?---A. To a certain extent, yes.

Q. What would you do if you found there was a discrepancy? ---A. I guess there are discrepancies, and they are discussed at regional meetings. I would like to see some overview of that.

Q. What do you mean by that?---A. A fair distribution. I do not say that we feel particularly badly done by at our branch, but, overall, resources need to be equitably distributed so that areas with high need have a reasonable allocation of hours.

Q. So from the work face you believe there are anomalies that have arisen. For what reason?--A. Just historically. As the organization has grown, a bit here and a bit there.

Mr WALSH: You made the point, Mr Chairman, that better submissions led to better funding of regions. That was the history.

CHAIRMAN: I wanted to find out what people at the work face believed the reasons to be.---A. Simply that the organization has grown in an ad hoc way. I am not entirely clear on what all the anomalies are. I hear some branch co-ordinators say that they do not feel they have a reasonable allocation of hours. All branches feel that. The resources that we have at present do not meet the needs. I particularly feel at branch level that administrative resources are very light. I do not know of any other organization that has such a low ratio of administrative hours to field hours, and that is a constant concern. We manage on a shoestring. I do not think I can say any more than that.

Mr WALSH: In these statistics presented in the draft report I noticed Maitland, which is my branch. The report reveals 740 hours for the month, yet the yearly expense is \$395,000.---A. (Mr Bullen) I could comment on that.

Q. The money allocation should be that?---A. Yes, but it did not match the service. If you have those figures in front of you, the problem was that in the Hunter region the very last branch, the Newcastle Aboriginal branch, the \$414,605 should not be there. That is the allocation for Belmont. If you insert that \$414,605 under Belmont and move all the other financial figures down, they all apply to the branch one down. I apologize for that. When I provided these figures I thought the draft annual report was the most useful summary of up-to-date information, but it was at the stage where it had not been thoroughly proof read or organized.

Q. You noted that Maitland had a very low allocation for a population of 50,000.---A. If I could just make one more comment, so there is no misunderstanding of those figures in the right-hand column, that figure represents the money sent from head office to the branches, which is a rough guide to total expenditure but not the same as total expenditure. It is certainly not the same as total branch costs.

If I can clarify that, the branches have a total expenditure but that expenditure does not include, for example, workers' compensation payments, training payments, and so on. Branches also have income from fees. The figures in the right-hand column are figures of grants to branches. The branches last financial year sent fees to head office, so that figure includes the fees, but it will vary slightly from the total expenditures of branches, which will be slightly less than the

total costs of running branches, because some of the overheads are paid for centrally - for example, the workers' compensation premiums.

Q. However, the branch annual account will indicate the total expenditure?---A. Yes, but it still will not include some of the centrally-funded items. That is why in the 1984-85 annual report you will find there are branch expenses and branch centrally-allocated expenses. Those branch centrally-allocated expenses will not turn up in the branch statements of account.

Q. What about regional expenses - where do they turn up?---A. In the final accounts there is a separate section on regional expenses - that is, basically the costs of the regional liaison officers and their travel and support.

CHAIRMAN: But do you have a costing system that will tell you accurately the cost of running a branch? You have the costs within the branch and other costs in head office. If I rang you up, could you tell me what the Burwood branch costs?---A. Yes, we could tell you what it costs. Some of it would be on an estimate basis. For example, if we paid out \$2 million in workers' compensation insurance premiums we would look at the effect of that on cost per hour of service. We tie a lot of our costs back to cost per hour of service so that we come up with an hourly cost.

That varies enormously between branches because of a range of factors, some of them legitimate and understandable and others not. At the moment with the reorganization of the branch administrative structures we are looking at a lot of those costs in relation to branch comparisons because we want to see why one branch costs more or less than another.

You need only look at that booklet of graphs that I provided to see that there are enormous differences between branches on a range of variables. The differences are there. Some of those differences make a lot of sense because they are tied in with either travel or types of service. We are not sure that some of them make sense. It may be that we will need to change management practice to correct them.

Q. You do have a costing system that is operating?---A. Yes.

Mr WALSH: I wish to ask a final question on the organizational structure. I have some criticism in relation to the method of election of a committee when the election process is opened up to the public at large. Do you have any comment on that? Are you reviewing it as an organization? ---

A. Yes. The comment I would make is that wherever you have any sort of organization that elects committees at public meetings, which anybody can attend, there is always a possibility that the meeting will be stacked. What we call the current branch constitution, which is in the committees book, has a number of rules in it that overcome that to a large extent. The key thing about our branch committees is that they need to be representative of the community.

We indicate that a branch committee should have representatives from a range of different groups. I shall give you an example. Let us say that at the public meeting the local council decides that it wants to make a total takeover bid for home care, so twenty alderpersons all nominate for the positions and no one else. That public meeting could not elect that committee because it is not

.representative of the community and the alderpersons represent only one interest group specified in the branch constitution. So there is some provision in the constitution to overcome that difficulty, but I suppose there is always the odd loophole. However, quite a bit of it is covered in the specification of the people who need to be on the committee.

Q. Does head office have overriding powers in relation to the election of a committee?---A. Committees are autonomous, except that they must work within the guidelines given them by the board. If they work outside those guidelines - for example, if a public meeting elected the example I have just given - we could come along and say, "You are not a legitimate committee because you operated outside the guidelines given to you".

CHAIRMAN: Has it happened?---A. We have had to take action against committees in certain branches, but not at election time. The board delegated to me the authority to take action when committees operate outside the policy guidelines. I suppose the board and the whole service sees that committees are essential to keep what is starting to be a big organization firmly rooted in the community.

We have to have local committees who have an idea about the local needs in the community. Then, if you are going to have local committees you have to make them run really well. It is no use having local committees who do not do a good job. That is one of the reasons for producing the committee's booklet, which tries to outline clearly what the committee's role is, what its planning role is, and what guidelines affect them. Though we have

a lot of good committees at the moment, we hope we shall have a lot more good committees over the next year or two because of the support we are offering them through these guidelines.

Q. I have been to committee annual general meetings and there is a cat and a dog there and they cannot fill the positions.---A. That is a problem in some areas. I would make two comments about that. Sometimes that happens because the people in the area have not done the groundwork that is necessary.

Q. Which people?---A. That would be one comment. The other comment is that in some particularly small country areas it is difficult to get people. I can comment on both of those. In the first case, the previous committee and staff and regional staff need to do groundwork to get appropriate people to be nominated for committees. You cannot just get a public committee elected by putting an advertisement in the paper saying "We are going to do it" You have to talk to people who might be appropriate, who have the skills, and get them with a sense that this is a worthwhile committee that makes decisions and sets priorities.

Some of the committees have not worked well because the committee has not taken on its full role. It has spent a lot of time talking about whether or not an extra bit of money should be spent to buy a waste paper bin, for example. That is an extreme example, but the people with the skills do not want to be involved with a committee like that because it is a waste of time, whereas when they are presented with an appropriate role for a committee

with skilled people, people show more interest. The previous committee members, the branch coordinator and now the branch manager and the regional staff should be involved in trying to get interested people involved. In some areas there is a serious problem, particularly in very small country towns where the population might be only a few thousand, so there is a problem with numbers.

We have been asking those branches in those areas to look at what they think might be appropriate alternatives. I was down in the Riverina-Murray area a few months ago and talked with people from most committees in those regions. They were certainly talking about having one committee that might represent a few small branches so that they would have a couple of people from two or three small towns to make up one committee. We are being led by the suggestion that the committee is making for that because we want to still keep the local involvement but we want to make it work properly.

(Mr Pryke) The other point I should like to make is that we have spent a lot of time in the past couple of years trying to become more accountable and efficient from head office, because head office was working with very few staff while there was an enormous expanse and it was really breaking the backs of the people in there. So far as the board is concerned, we feel that is working well, but we want to strengthen the branches so we have a strong head office and strong branch committees; otherwise it will be centralized and people on the branch will just wither and lose interest rather than making sure their

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community needs are being met by their own active participation. By and large, we find that where there is a good representation of interagency people on our local committees they are helping to make sure that people in their local communities are getting all the domiciliary services they need, like meals on wheels and community nursing and the local government people, so that by and large they are forming good local support for the aged or the disabled in their area.

Mr WALSH: Do you rely on the region as such and the people within the regional management team to build up the branch committees, or does a head office person go out?---

A. . (Mr Bullen) In a strict sense the regional staff are head office staff, but they are located 'in the regions, and we see that it is the regional staff and the branch staff that have a key role there. We do not see that it is head office's role to be involved in doing that sort of work. It would come back to head office if there was a serious problem. If, for example, a committee and regional staff were in dispute, that would come back to head office to resolve the problem. But in the first instance it is not our concern because we are basically working to a principle, to reinforce what Roger is saying, that the decision-making has to be as far down the organization as possible, and decisions should only come from higher up where that is going to be of some benefit to the whole organization.

So we want to strengthen the branch committees, strengthen the branch managers, so that they are better able to manage the branches and the committees are better able to plan, and the regional staff are there for more a supportive role and dealing with difficulties when things do not work - helping to sort out difficulties. Head office has a very large administrative role in terms of funding, statistics, trends, planning, and servicing the board, but would normally not be involved in the day-to-day branch problems or decisions. They would be involved in listening to what the branches are saying about changes in policy, getting policy drafts prepared and consulted on, and those sorts of issues.

Q. What does the actual regional staff consist of?---A. At the moment there are a bit over thirty regional staff. We have Just set up some regional teams. The numbers of regional staff increased from eighteen months ago. There were 11.% regional staff and a decision was made last year that there was quite

insufficient support for the branches to help them do the sorts of things they need to be doing, the sort of things in the committee's booklet. So we set up some regional teams, and the total staff in the regional teams is a little over thirty -thirty-one or thirty-two. I will get you the exact number.

CHAIRMAN: Have you looked at paying board members or branch members for attendance at meetings?---A. Not as far as I am aware.

(Mr Pryke) Not to my knowledge.

Q. Do you think that would make any difference?---A. My first thought would be no, that we want people there who have a personal interest in the service. They go to a lot of other meetings that they are interested in, for nothing. It is a local community effort.

(Mr Bullen) Some committee members would be paid in the sense that they are working for other organizations and would attend committee meetings during work time. Some committee members would not be working for anyone else and therefore they would not be paid.

Dr REFSHAUGE: I wonder if you could explain to us what sort of control the board itself exercises in the day-to-day management or decisions that have been made at head office?---A. (Mr Pryke) The board deputized a lot of its authority to the executive director and his staff. But then the composition of the board has been such, and I think the activities of the board members are such, that we really, I suppose, have an independent monitoring system. We have six branch members, be they committee members or co-ordinators generally from all over the State, on the board. So they know what is happening in their areas. Then we have six members of client groups,

like the aged, the disabled, families in crisis and so forth, the Aborigines and the ethnic groups; so they know what is happening in their areas. I myself visit branches on a fairly irregular but consistent basis and find out independently what is going on, so there are those kinds of checks and balances that we have on what is happening from what we are told by Paul.

(Mr Bullen) The board meets monthly and for those meetings I would normally prepare documents which usually run into 100 to 150 pages. Some of that is background information which is just up to date things that, if people have a lot of queries about, they can question me or other people about them. A lot are policy things for decisions.

Q. How often in between board meetings do you get contacted by board members?---A. It varies. I would certainly have a number of discussions between meetings with the chairman. The Government board representatives would normally contact me at least a couple of times between board meetings. The consumer and branch reps would be less. I would probably hear from one or two of them between every board meeting, whereas the Government reps I would probably hear from all or most of them between board meetings.

Q. I notice in this 1984-85 annual report that there is a position for an Aboriginal representative through the consumer group. Is there one now?---A. Yes.

Q. Do they turn up?---A. Yes. (Mr Pryke) She comes from Armidale regularly and is a good contributor actually.

Q. What sort of rate of attendance do the board members have?---A. (Mr Bullen) I have not done any statistics on it recently but I would say normally of the twenty board members there would be two, maybe three, absent at any one meeting.

(Mr Pryke) Normally about eighteen present.

(Mr Bullen) There would be a number of meetings where you would get twenty present.

(Mr Pryke) It is an all-day meeting from 9.30 until generally 4.30, so it is a full day.

Q. I was about to ask you what responsibilities the board delegated, but perhaps it might be better to ask the question the other way around. What responsibilities has the board not delegated to the executive officer?---A. We regard ourselves as having the final say on what policies are decided. It is mostly a policy-making board. That is why, I suppose, with the composition of the board, with the Government representatives, the clients and the branches, we define what we think are the needs and how the needs are being met and how new policies are being developed in order to meet the present and up-coming needs.

(Mr Bullen) There are also the other constraints. For example, the board in the administration area certainly delegated administration to me but set certain parameters. For example, there can be only so many staff in head offices, so many staff in regional offices and so many branch staff. The budget is set by the board and the financial report goes every four weeks to the board, so there are certain broad constraints of the day--to-day administration.

Q. Do you feel there is too much constraint on your activities?---A. No, not at this stage.

Q. You advise the board on what the constraints should be, I presume?---A. Let us say that I have only been in the position of executive director from May last year. In the first few months the board certainly had a lot of review about looking at

its own work and what should be delegated and what should not be. So there was a process in May, June and July of last year where we went through discussions of where the lines are and where they are not, and drawing up a list of delegations which I was party to.

CHAIRMAN: So you put up a series of reports which the board then discusses?---A. What I normally prepare each board meeting is a document like this which is sometimes thicker than this (indicating). It has a set agenda. The agenda covers each of the major areas in the service. Then within each area there will be some things that go up to the board, which are policy matters for decision. For example, recently there was a policy on service to live-in housekeepers. That goes up for decision. Or the acceptance of the financial report would go up for a decision; or industrial issues, working out strategies for how the industrial issues should be negotiated and what we should agree or not agree to in the awards.

Also in this I would give a report of all the major things that have taken place over the last month in each area. It may not come up for discussion but people on the board are informed about it. If they want to raise questions about it, that's taken care of at the beginning of the meeting. People can add items on to the agenda that are not already there.

Q. It is a dangerous practice to add items?---A. Yes. Normally people indicate before the meeting. They would say to me "Look, can I get something on the agenda?" So papers are circulated. But if, for example, there is something in the papers which is not down to be discussed which people want discussed, and the documents are there, then they can discuss it or question me about it.

Q. We might ask you to send the agendas for the last three or four meetings so that we can have an overview?--A. Yes.

They will fall into confidential and non-confidential segments which I shall make clear. Board meetings are normally open. The usual practice is that all industrial related issues, for example, would be in closed session.

(Mr Pryke) And personal matters.

(Mr Bullen) And personal matters, and audit matters, but the rest of the sessions are open.

Dr REFSHAUGE: Have the delegations made to the administrative staff been formally made by resolution of the board?---A. (Mr Pryke) One by one, yes. I think there is a list of the delegations.

(Mr Bullen) Yes.

Q. Does the board undertake a regular review of its efficiency and effectiveness - not the boardS, but the organization's efficiency and effectiveness?---A. (Mr Pryke) Could I answer your first question first? We did start this last year Just to look at the board's own efficiency and effectiveness and competence and how it was dealing with its own Job in its own terms. But certainly on the efficiency and effectiveness of the service, we have been gradually improving the resources we have. Most of our resources are going straight into the delivery of services, so that is breaking the backs of the co-ordinators particularly. Also it was not giving us the scope or the resources to see how well we were doing things.

We started off then over the five or six years that I have been chairperson, trying to improve that and give support to the branches and give, in a sense, control over what they are doing in financial matters. So the regional liaison officers were perhaps the first big move to get support and some sort of control out in the branches. We only could afford, on the way our moneys have been allocated, one internal auditor for

160 branches up until recently. In the last few years we have built up that efficiency and effectiveness training a team with four people who are now looking not only at financial accountability but also at policy effectiveness. Those people have been recently brought on strength and trained, and are now operating in the service. So we are trying as much as we can to be as economical and efficient as we possibly can. This is our latest move.

Q. If you have made a fair number of decisions about delegating your authority or perhaps making a more specific Job description of various responsibilities to your executive officer and administrative staff, have you had a review of that to see how well it is going?---A. We started last year. After Paul's first twelve months in the service, we worked out a system. Three members of the board looked at ways of evaluating how well he was doing in all those elements in his job description and, with him, worked out what the basic areas were. Then the three of us had I think over an hour's discussion and examination with him on how well he was doing his job.

Q. Is he the one who has delegated power, or is the power delegated down the line?---A. He is the only one that we delegate to, but I think he delegates down the line.

Q. Is there anybody else that would be reporting directly to the board?---A. Only the Deputy Director, his deputy.

Q. Has he the same authority?---A. He is coming up to his twelve months pretty soon.

{Mr Bullen} The deputy would have only the same authority if I was not there. He has a separate job description. If I were absent, he would take my place.

Q. One of the biggest problems in any service with a delivery system is whether you are meeting needs or wants. How do you work out whether your services are being provided on a basis of needs?---A. (Mr Pryke) I suppose we would say that there is what you call a professional need, what professional people such as a doctor or nurse would say a person needs. People have also their own felt needs, and their own expressed needs. Some people are good at expressing them, and others are not. Some think they do not need a service when others in their families think they do. There are also comparative needs. Some people might have a specific condition and others would say that people in that condition normally need specific assistance. Within that complicated question of needs, the various sorts of needs and wants, we try to work out through the assessor who goes out to review a person who wants home care, what their needs are. We believe in the principle of self-determination. They determine what they want. We do not tell them what they need. They have a say in what they get.

Q. We have heard from people involved with home care services that usually the professional people expressing needs and wants are those who are usually wrong. Do you find that is so?---A. I would say that is so myself, although I do not know. I suppose in one sense they are not only wrong but they tend to make these people more dependent. We are trying to make them more independent, to make them battlers in their own right and not to give in.

(Mr Bullen) We have a strong philosophical approach, that, all things being equal, the client will know what is wanted and will be able to identify needs in discussion with an assessor. We would be trying to take more of their word rather than standing back and making decisions about someone. There are a lot of difficulties with that. As I said earlier, one of the most important questions we have to answer is whether we are meeting real needs with quality services. An enormous amount of literature has been written on that subject, often showing all the reasons why you cannot measure those sorts of things, and the difficulties. At State level we are attempting to look at that. We have done some research on it and we shall do some more. In terms of what happens day-to-day, Fran might be better able to comment.

Q. The board and head office administration basically rely on the assessors in the field before making a decision about the need, and whether that need is appropriate? ---A. Yes.

Q. Who makes the decision about whether that need is being met on a reasonable basis appropriately?---A. There are two different elements. In talking a little around that, I shall try and explain the different elements involved.

At the branch level the client will contact the branch; an assessor will go out to do an assessment. On the individual level of that particular client the assessor is making some assessment of need. The assessor will bring that back to the co-ordinators, with their different people, and the co-ordinator will work out whether there are the resources to meet that need and how that need ranks among other priorities in the branch. It may be that there is a need, but the branch has other important priorities. That is part of the process.

That is looking at the individual client, but we must also look at needs in local areas, regions of the State. In that way you have to look at statistical bases, local knowledge, to start assessing whether you are meeting needs. We have done a whole lot of work on looking at needs indicators on a regional level. A lengthy paper was provided to the Committee, dealing with that issue, and giving a lot of background into problems and how we went about it. We still see the following up of the needs indicators as being most important. This means that on the individual client level the assessor is the key person.

The assessor works within specific guidelines. Earlier this year we ran training for most of our assessors throughout the State. We see that as a very high priority area, the further training, because that is really the key point of decision making. Getting assessments the same way wherever one happens to be in New South Wales, is very important. '0625-17542--9

(Mr Pryke) And continual reassessments?

(Mr Bullen) Yes.

Q. Fran, how many assessors do you have at Leichhardt? ---A. (Ms Murphy) We have two part-time and one of them is Italian-speaking.

Q. Presumably, she also speaks English?---A. Yes. Q. How many assessments do they make? How long do they work for and how many assessments do they make?---A. They each work for three days and they structure their time so that on an average they would do about five or six a day. On one of those days they would do a little bit more. They are not purely assessors, they are co-ordinator-assessors and on one of those days they spend a little bit more time in the office.

Q. Are they the co-ordinators they refer back to, after they have made the assessment?---A. No. They refer back to someone else.

Q. What co-ordination do they do?---A. They are making referrals with our Italian-speaking staff. We need someone to do a lot of co-ordination, someone who has a lot of language skills, and the lady who speaks Italian and English handles other cases we cannot handle.

Q. Do they organize the field workers to go out to the different places to co-ordinate?---A. To an extent.

Q. How do you know that their assessment is appropriate? Do you check on the assessments to see that they are doing the right thing?---A. We have a very competent staff who have been with us for a long time. We have regular meetings every day to monitor what they are doing. I would say that they have been to a number of training sessions and have had

a lot of experience on the job, and we have constant discussions.

Q. Do you feel your assessors are as good as or better than the ones at Marrickville?---A. I do not really know the assessors at Marrickville, so I cannot comment.

Q. Do you feel confident that the assessors throughout the system are of equal competence, having little difference? ---A. I do not see how they could be much different, although there are problems when they just have started. I think the training they do is really important, particularly in years past.

CHAIRMAN: What qualifications or backgrounds do your assessors have?---A. They all have welfare backgrounds.

Q. Do they have diplomas in welfare?..---A. They do not. It has not been mentioned, but a resource we are finding very useful is the pool of bilingual assessors.

Dr REFSHAUGE: They are not based at one particular base?---A. No.

Q. Are they based at head office or at a regional branch?---A. They have a central branch and they rotate to different branches in each region. Each region has assessors with different language skills appropriate to their regions.

CHAIRMAN: Is the work of an assessor stressful? I should think, in the inner city area where you are located, with language difficulties, it would mean if you give one family some help and refuse that help to another family, pressures would be brought to bear by the family that missed out on the help to change the assessor's decision. They would be writing and coming down to see you. Is that

a true assessment of what happens?---A. Yes, it is. It is not the assessor who gets that response, because the decision is made by the co-ordinator. Maybe they should be called managers. Branch restructuring is under way, and because of that they are sort of teetering on a fine line between being co-ordinators and managers.

Dr REFSHAUGE: You bear the brunt of that criticism.? ---A. Yes.

Q. I should like to talk once more about branch committees and about what is going on. We are told there is a branch committee. Do all your branch committee members live in your branch area or do they only work from the branch area?---A. They work, or live.

Q. Do you think it would be better if there were a geographic residential restriction so that you had to live among the people you were dealing with?---A. If that were. the case I suppose it might eliminate a couple of key people on our particular committees who are workers in the area and have a lot of work to do but do not happen to live there. Actually the majority of people on our committee live in the area.

Q. Presumably you are talking about people who work for another organization, such as their local council? ---A. Yes.

Q. Does your branch committee meet during the day or at nighttime?---A. In the daytime.

Q. You are restricted to those whose jobs will let them get there in the daytime or those who are unemployed? ---A. Yes well, we also have representatives from our client group too who find it rather difficult to come at night time.

Q. Do you find that those who are employed somewhere else and who are being paid to turn up have greater power in that arrangement, because it is part of their paid job? ---A. Perhaps. I guess they are more articulate. That is a problem. We are in the fortunate position of having a very large and active committee.

Q. How often does the committee meet?---A. Every month. Q. What decisions does it make to change your job? ---A. The committee is there to look at local needs in some depth. It is something we have done ourselves, but with limited time. It is unfortunate that at the branch level one tends to be reactive rather than active. They are helping us to gather data. We already have some of it for example from ourselves but we need data / social security. We compare that to our branch statistics and then we see where the system is falling down, and we take active steps to try and redress that.

Q. I am not exactly sure what you mean. What are you actually doing? What is the committee doing at the moment?---A. At this very moment I hope they are gathering information.

Q. I would like to get away from the jargon of assessing needs and wants.---A. If you want me to talk about statistics, at the last meeting people were delegated to approach organizations to get available statistics. file of all the We have a resource /data, but we do not have/statistics available at a local level. Various committee members undertook to get that information and bring it to the next

meeting so that we could look at it in some detail.

We are right at the beginning of that. We have not long had our AGM and we have new members on the committee, so we are just at the beginning of that.

Q. Although it sounds an important thing to do, if that was directed at you to be collecting the information that might seem to be imperfect use of your time. Are you being asked to do things by the committee that are eating into your real job?---A. Not as yet, no.

Q. Do you see that as a potential problem?---A. Yes. Q. How would you handle that?---A. I guess it is something we would have to talk about further. On the committee there are one or two people who are prepared to do a lot of work, but the majority really do not do very much. Despite that, it is very important to have that local branch committee.

Q. We did a report some time ago on end-of-year spendup. At the end of the year and not everything has been spent, there is often a departmental spendup. There seems to be pressure in the department to spend the money. Do you have the same problem with your hours?---A. Certainly not, no. Quite the reverse.

Q. How do you make sure that that does not happen? Or is it just impossible?---A. It is virtually impossible.

CHAIRMAN: It can happen. Head office can allow additional hours in May or June. Does that happen?---A. No.

(Mr Bullen) It has happened with some branches, yes. In May some branches were given additional hours because under the Home and Community Care programme the Commonwealth and State Ministers agreed that we should be given more hours from May. That represented a 7 per cent increase in State hours. One needs six to eight weeks to co-ordinate the branches and clients. Over that six to eight week period there is a bit of underspending taking place, which in our case was not a problem because our budget was so tight, but it permits some time to more or less get back on budget again.

Dr REFSHAUGE: How do you ensure that your assessors throughout the regions are assessing at a similar level?---A. At the moment that is a question that I have to answer. Last year, one of the key questions we saw was that the assessing needed to be at the same level. In a sense it is the gateway to the service in that whoever controls the assessing controls most of what goes on. The first step we took was to get together a standard training package for assessors to examine the principles that should be used and practices that should be adopted. That package was implemented early this year. Since then we have been monitoring a range of aspects about assessment through our audits; for example, how long assessments take and that type of thing. We have not been monitoring quality. Most of that will be monitored through the research that was carried out in June, July and August. One of the

matters that will have to be looked at early next year will be the way of evaluating assessments. In the past the assessors, who are in effect the key staff, worked basically by themselves. Therefore, if something went wrong the client would, of course, contact the co-ordinator. If there is a gross underassessment, there will clearly be a complaint. There is a feedback mechanism to that extent. If there is a gross overassessment, the client would be happy to receive all the extra service but we have to - which is one of the roles of the effectiveness and efficiency team which is up and running now - come up with a mechanism to evaluate the assessments. That is, do you send someone else in to carry out a further assessment? Do you compare that assessment with the first? Is it carried out statistically? There are a range of options and we shall look at them all.

Q. You say that assessment is the gateway to the service, but it is the allocation of hours that really determines the assessment level. If you double the number of hours at Leichhardt, for example, your assessors at Leichhardt will behave differently, will they not?---A. In a certain sense that is true, but if one examines the statistics and trends of State averages, and examines the variables such as quantity of service, and you double the hours at Leichhardt, it would not be the case that everyone would receive one and a half times or twice the amount of service.

Q. You increase the number of people involved?---A. Yes. Q. And that is changing your assessment criteria for entry?---A. Yes. In that sense you are going further down your priority list, and I would agree with that. What I am getting at

is that it does not mean necessarily that an assessor will give a particular client more hours. They may, but on the State average it does not show up that way. For example, the calendar year 1984 was a year of enormous growth. However, the statistics revealed only a marginal difference in the average hours of the service per client per week. What is happening is that more people are receiving the service.

Q. So from that you would infer that the number of hours per client per week claimed is about correct?---A. When one examines the average hours per client per week, I do not know. On an average, at the State level, approximately 70 per cent are receiving less than two hours per week. That figure is actually closer to one; it is probably one and a bit.

Q. Your average is 1.9, is it not?---A. That is right. A minor percentage is receiving more than ten hours per week. The remainder are receiving between two hours and ten hours. One of the real dilemmas is the different types of clients; that is what proportion of what class of client we should have. For example, if we have a disabled client that requires a lot of personal care and as a result a high number of hours, the issue becomes should we put on a hundred people who are heavily disabled or should we put on a thousand people who require only an hour or two a week. That is the dilemma. In a certain sense there is a policy that says that we should be favouring those who require more hours per week. However, when it is left to the individual co-ordinators, they would say, "What should I do in this particular case? What are the priorities?" That is a major issue the level of hours. It relates to what type of client we should be servicing.

Q. How are you sure that all of your assessors are not making the same mistake and have a blind spot about a particular client, group, or need?---A. Could you give me some example of what you mean about need.

Q. How come all of a sudden you decide that there are Aborigines in Australia and decide to do something about them? ---A. That is a good example. In 1980, 1981 and 1982 I was employed in home care under a different role. At that stage there were no services, or there were very few. Pressures came to bear then with the changing attitudes in the wider community and changing government policies. Although the board has changed during the past few years there is still a group of people giving valuable service to home care from outside home care. They are aware of the changes that are taking place within the community. Through a process of the board's development of policy it is apparent that we should be doing it. In that case the branches are somewhere else, on an average. They were not providing a service so we had to do a lot of work with them to do that. There are other blind spots.

(Mr Pryke) We had the same problem with helping the disabled. We found we had to employ educational officers in branches to educate people in the service to want to help disabled people. Those officers were travelling round the State trying to make people more able to deal with disabled people.

(Mr Bullen) That is one of the key roles of the regional staff. They look to the branches to see where the problems are and say, "Here is the policy, here is the general vision, and this is the way the service is going". They determine whether a particular branch has a particular blind spot and how that branch can be worked with to broaden their outlook.

Q. Are there any blind spots that you are working on at the moment, that is generally as opposed to a local branch having a blind spot?---A. In terms of servicing clients?

Q. Yes?---A. We have done a great deal of work with Aborigines and non-English speaking people. Clearly there is much more to be done. The attitudes of the wider community across New South Wales vary enormously concerning service to Aboriginal people. That will require a lot of work. At the board, head office, regional, and branch offices the attitude is good but in other areas much more has to be done.

(Mr Pryke) In the past some Aborigines used what was a white service until recently. When we commenced that service it was Aboriginal staff giving service to Aboriginal clients. We have piloted three or four different programmes that are still operating and we are examining how we can manage those programmes best administratively and managerially. It is getting us now to the average number of services in that the proportion of Aborigines receiving the service is equal to the overall proportion in the community.

Q. Is that special Aboriginal service based in Sydney? ---A. (Mr Bullen) No, it is operating in a range of branches. We are operating three different models of Aboriginal service in different locations.

Q. I can foresee a particular problem with clients who have AIDS?---A. Yes, we have done a lot of work with AIDS clients and we have developed an AIDS policy. The inner city branches are employing people especially to carry out that type of work. We have adopted a certain policy and I could go into more detail if required.

Q. You think you have overcome that problem before it has arisen in the branches?---A.. Yes, with that I think we have moved relatively quickly. Last year we had some discussions about the problems that had arisen. Policies and procedures were implemented early this year.

Q. From whom did the impetus come for that discussion? ---A. It came from three or four different places. It came from head office, from the board, from outside the service, from people in local government, and others who were concerned. When one refers to blind spots, one area that I see as a blind spot is with the younger disabled. When I refer to younger disabled, I mean non-aged disabled. Up until the beginning of this year the service was funded under the State's Grants (Home Care) Act. That Act provided that the services were to be wholly or mainly for the aged. When our statistics are examined they reveal that 70 per cent of our service relates to the aged. Home and Community Care has two groups, the aged and the younger disabled. We have to have a closer look at that in relation to what we will do now.

Q. Would it be a board decision to determine the different proportion of hours spent on the aged?---A. It is a mixture of decisions. Under the HACC programme there are certain requirements and it is still to be worked out what those requirements will be. There would then be a board decision taken about priorities. Of course the local branch committees have a role in setting priorities. As a result there is always a tension created about the role of the branch committees in looking at setting priorities and how that is done within the board's policy or the legislative restrictions. All these things have to interplay to come up with specific priorities.

(Mr Pryke) There are geographical factors taken into account with these changes. For example, with the disabled there are some areas in Which there are more facilities available. On the northern beaches, near the Spastic Centre, many families with spastic children move into the area to use the facilities at the Spastic Centre. As a result, one would find that the French's Forest branch would spend more than 50 per cent of its hours with disabled people. The average, of course, is much less than that. Local conditions tend to generate their own needs.

Q. Also on a geographical basis, are there parts of the State that you do not cover - that your service does not reach? ---A. (Mr Bullen) In theory, no. I would not be able to name the spots but, in practice, there are some spots that are very isolated. With the additional HACC funds that will be available from 1st January, services will be provided to those areas of the State. There are a few but those areas are small. We see it as a priority to provide services to even quite isolated areas. Q. Such as Wilcannia?---A. Yes, such as Wilcannia. CHAIRMAN: Concerning fees for service, Mr Walsh has provided the Committee with some statistics. I have here a form entitled "Revised Summary of Fees". A figure is quoted for non-subsidized hours which says, in brackets, "full fee hours"? ---A. Yes.

made that we should we have a means test. The point that you made is quite true; the research showed that the people who could least afford it often put themselves down to pay more than the people who can afford it. It became apparent that if we means tested we would probably have to take the approach that if people were below the poverty line we would not charge fees. In our case that would probably mean a net reduction in fees and a net increase in administrative cost to run the means test. So our current fees policy where you give people the option to pay what they think they can afford to pay, from our point of view, emphasizes the clients' responsibility and their decision-making in the process and collects appropriate fees compared to other systems at a fairly cheap rate, and we do not have high administrative overheads.

CHAIRMAN: Except that the taxpayer would think your criteria are very flexible?---A. They are very flexible but the research showed over recent years, if we took a particular category of client, the assessor would have a guide which said that 50 per cent of people were between these ranges.

Q. Well, let us take a single pensioner; what are the ranges?---A. I do not have a copy with me. Would you know, Ms Murphy?

(Ms Murphy) I do not know off the top of my head, no. Q. It does not seem very prescriptive, does it?---A. (Mr Bullen) No, but what I am getting at is if you take the range and take that particular group you would argue, from the taxpayers' point of view, everyone is going to pay at the bottom end of the range. You would argue they are going

Q. We have another figure in this document which is subsidized hours. There is then a third one which is no charge. That is self-explanatory, but how do you work out subsidized hours?---

A. Basically that is where people have paid a fee but they have not paid the full fee and therefore it is subsidized.

Q. How do you determine that subsidy?---A. Well, it is not so much determining the subsidy but determining the fee.

The subsidy is whatever is left after the fee has been paid.

Q. How do you do it, Ms Murphy?---A. (Ms Murphy) When the assessor calls out to visit someone, they negotiate what they can afford to pay. There is no financial investigation.

Dr REFSHAUGE: So you just ask them how much they are prepared to pay or do you ask them what their income is? Usually I find the poorer people are prepared to pay more than the rich?--

-A. Well, I think the assessor tries to be not too judgmental. In our area, most of the people who are referred or refer themselves to get service, are mostly on benefits and pensions.

(Mr Bullen) At the State level we have done a lot of research into fees and fees policy.

Certainly, there have been people suggesting we should have a means test. Earlier in the year the board looked at a range of options for fees policy. What became apparent from the research is that the assessor has some guidelines which say at least half the people currently pay fees within this range.

If you are getting two hours of service a week and you are a single person living alone on a pension; half the people pay between this figure and that figure. The assessor uses that as a guide.

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made that we should we have a means test. The point that you made is quite true; the research showed that the people who could least afford it often put themselves down to pay more than the people who can afford it. It became apparent that if we means tested we would probably have to take the approach that if people were below the poverty line we would not charge fees. In our case that would probably mean a net reduction in fees and a net increase in administrative cost to run the means test. So our current fees policy where you give people the option to pay what they think they can afford to pay, from our point of view, emphasizes the clients' responsibility and their decision-making in the process and collects appropriate fees compared to other systems at a fairly cheap rate, and we do not have high administrative overheads.

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to say, "I can only pay down near the bottom". But when you look at the reality and at what fees are actually charged, people are agreeing to the upper end of the range. So, it is possible for us to put all the fees categories up by 30 per cent and still keep more than \$0 per cent of the people in the fees range. That means that in the past they were not choosing the bottom end of the range. This is a guide. They were using the upper end or towards the upper end. It means that there is a fairly honest assessment about what people can afford and our experience with the implementation of that policy is that the taxpayer should not have concerns. If anything, the taxpayer is getting more back in fees than he would under alternative arrangements.

Dr REFSHAUGE: And you say it would be more expensive? ---A. Yes, infinitely more expensive to means test. The only option we would have is to tie fees to pension cards or something. If we had to do the means test ourselves it would cost more than anything that we got back in fees. There would be no point in means testing, we would be throwing money away.

CHAIRMAN: You do that in a de facto way in that Ms Murphy's assessors would ask individuals, "What is your support mechanism?". They would ask whether it was a wage or a pension. Do they ask that question?---A. (Ms Murphy) Yes.

Q. How much further do they go than that?---A. No further.

Dr REFSHAUGE: What percentage of your clients, statewide, are on benefits?---A. Certainly the majority of our clients - let us say about 80 per cent. 70625-17542--10

(Mr Bullen) I do not have the State figure in my head but it would be certainly 60 per cent to 80 per cent. It would be the majority. You see, the majority are aged and the majority of those would be on pensions, for a start. So, that is the vast bulk of the clients, and the others would be on some sort of a pension.

CHAIRMAN: The obvious question is, do the assessors reject an application for aid because people can afford A. (Ms Murphy) Yes, sometimes. They bring back their recommendation and it is discussed, but that is one criterion for need: if someone has the resources to pay. Our budget is pretty tight. Obviously we have to provide it to someone who has not got the resources.

(Mr Bullen) There has been some work on policy. Previously our policy has been that the Government provided certain funds for home care and indicated a set number of hours Of service. That means that if there were clients who could afford to pay privately for service, if we took them on we actually put someone .else off who could not afford to pay privately. It means, it was better for us not to take on private people because we had a fixed number of hours. The policy has changed and it is possible now - and we are still developing mechanisms to do it - that where people pay the full cost - not a higher fee but the full fee but where they pay the full fee, that service can be provided in addition to the other services. That means that we were not getting into providing services to anyone who could pay, they still had to be assessed and their need would have to be assessed. In country areas particularly there are no other

options. People in Sydney can call Dial an Angel or other places. Therefore even if people in the country can afford to pay and Home Care does not do it, it is very difficult to get it organized. We see a role there; we still want a service on need but if people can pay more at least they are not knocking off other people, there would also be a priority.

Mr SMILES: I am very interested in the point you have just made with regard to the opportunity for a Home Care branch to provide services to those who can pay over and above their allocated hours. Certainly my impression is that that policy is either brand new or it has not been communicated to branches yet?---A. The policy is new, the mechanics of it are still being worked out. It is complicated. Let us say that one branch is in an area where everyone can afford to pay. The problem that creates, let us say that branch expands and expands because people can afford it. When we look at the question of what are our objectives and what are the relative needs of different groups, it may be that even though all the constituents of this hypothetical branch can afford to pay, you start this process of changing how you define need because people can pay. We want to make sure that the service is still provided on the basis of need. Therefore, it may be that administratively we want to distribute resources on the basis of need as identified so where branches can produce more income that then supports other places that cannot produce that income. So we are working on administrative procedures to try to meet that. But that is quite a complex situation.

Q. I accept that and you have my support. I think it is totally appropriate that Mosman branch gets \$259,000 when

there is an average statewide contribution of \$1.62 per person given that at least a proportion - and I do not say a major proportion - but certainly a significant proportion of those receiving assistance in my electorate can afford to pay the full rate. I would suggest that a number of them have expressed to me their hope that the Home Care Service could provide service in an emergency situation because their difficulty is assessing the helpers who will come into the house. At their age they are afraid to go out and get someone in the market-place or advertise?---A. I think you have identified what is the problem. A number of people in a range of areas throughout the State have exactly that problem.

Q. There are 165 branches, according to the annual report. Do you think that that is too many and that there is room for consolidation?---A. Yes and no. We are looking at a process of consolidation, so that is the yes part. A lot of these branches are in country areas and you have only to look at the number of branches in each of the areas to see that the more isolated the region the more branches there are in it. We see on the one hand a need to provide effective locally-based services in isolated areas but we also see a lot of advantages in consolidating some of the administrative arrangements. So, we might have a situation in some country areas where the paper work, the payroll, can be done in one central branch but the other areas will have, for example, service co-ordinators and assessors operating from that area. In the future we might call that central area with the service co-ordinator one branch although there will be people based

in a range of areas. So yes, I think we are looking at reducing the number of branches but not with a view to moving the service provision further from people. We are trying to keep it close to people but to reduce the administrative arrangements.

Q. How often do regional liaison officers visit branches?---A. (Mr Pryke) They aim to visit each branch each month when the committee meets, and quite often in between those times. I would not know exactly how often, say, the Mosman branch is visited, whether it is once a month or once a fortnight. There is much telephone communication.

(Mr Bullen) It would vary considerably between regions. Visits to the far west will be less frequent than in the metropolitan area. There would be more phone communication with the far west. Also, the frequency of visits might depend on what activities are current. There may be visits associated with a new policy or training programme.

(Mr Pryke) At regional meetings the co-ordinator will meet with the regional liaison officer on a regular basis.

CHAIRMAN: How many branches does each regional officer supervise?---A. (Mr Bullen) It varies between five and six to fifteen or more. That varies with the size of regions.

Q. Would the country areas be the lesser number?---A.No, the reverse. Our difficulty in terms of support for isolated branches is that on a per head of population basis we have more regional resources in country areas. On the other hand, country branches are smaller. On a basis of numbers of branches, regional staff have more branches to look after but use less total resources than in the metropolitan area. We have had to locate more resources per head of population in country areas to endeavour to overcome difficulties caused by isolation.

Mr SMILES: Would that explain in the statistical report the average of 22.2 per cent of administrative work as against field hours?---A. Yes.

Q. In the south west metropolitan area that figure is 18.5 per cent; and in the Riverina-Murray area it is 24.9 per cent.---A. Yes. In the booklet of graphs we have provided there is a chart that plots that figure for every branch in the State. That reflects a number of things. By and large, the smaller branches have a higher ratio and need more administration. The larger branches need less administration. However, even with the medium size branches there are variations. That variation might be due for example to a difference in the type of client. It takes more time to administer a wider mix of services, particularly involving much personal care, than for general housekeeping. Some of the variations between branches occur for legitimate reasons. The variations between regions will also reflect travel time. If staff are travelling more, that is a factor. At the moment we are endeavouring to identify this component. Travel is a major component. Most branch overhead costs are consistent as between branches. The key variable is how many hours do admin staff work and travel. Those hours are set. The branches are told they have a fixed number of hours. As part of the branch restructuring process we are looking at whether those set hours are appropriate. To a large extent hours have been determined historically, but we are in the process of completely reviewing that determination.

During the next few months there might be changes in those hours as between different regions and branches.

Q. That change will not alter, for example, the Riverina figure of 24 per cent being high?---

A. When you say, it depends how you look at it. It is high by comparison with 20 per cent for other branches.

Q. It means that for every \$4 of funding, \$1 is spent on administration.---A. Yes, but any cursory investigation or comparison with a typical government department would reveal that that ratio to be low. If one compared it with a similar size private organization, I believe it would be by no means high.

Q. Could you provide sources for us to compare?---A. Yes. When you consider we are providing a service in most areas of New South Wales, and compared that with similar services provided by either a government or non government organization, probably you would find that in more isolated areas their overheads were significantly higher.

Mr SMILES: Do you pay for field workers' travelling time?---A. Yes, we have since the introduction of the award.

Q. Is that calculated from when they arrive at their first work location?---A. In general terms we do not pay people to go to work or to go home from work. However, a field worker's first client may be located at various locations. If the distance to the first client is greater allowance than ten kilometres, we pay time and/kilometrage After the first ten kilometres.

Q. Compare administrative hours to field staff numbers, that is administrative hours compared to the number of people servicing clients. In June this year there appeared to be

eight hours to ten hours for each worker. Is that a conscious policy?---A. That is a reflection of a range of matters. Home Care clearly has grown from being a fairly small to a fairly big organization. Many people looking for work are looking for part-time work. Our work force comprises mainly women with families, women with commitments, or who are on pensions and are limited in the amount Of income they can earn. A fair number, therefore, are looking for a small amount of part-time work; and historically that has been so. We have a policy where possible of increasing the average number of hours that employees work. At the same time, we do not stipulate that, say, from next week there will be a minimum number of hours to be worked. As I say, existing employees have certain commitments.

The figures vary, and in the smaller country branches the average is five hours a week. The State average is eleven hours a week. Over the past four years that average has grown; it is steadily increasing. We would like to see that trend steadily increase without making it difficult for people to do part-time work. Also, availability of staff to do part-time work may suit the administration in a co-ordinating sense. If a small number of people are employed full-time there may be difficulty in rostering workers if a client is not available at a particular time. I would never expect us to be in the position where the average hours worked increases from eleven to thirty five. I believe it will increase beyond eleven but we will never reach the stage of employing all our staff on a full-time basis.

Why is that so? Also, do you believe that the system of 'six-monthly assessments - and perhaps even longer -is developing a client bank that should be moved out of the system?---A. It is a big issue. I believe that statistic results from a large proportion of clients who will not get any better as they get older. Six-monthly assessments occur only when a client is seen to have a continuing need. Where factors are necessary to be assessed more frequently, that assessment occurs. With our present resources, however, it is virtually impossible to assess all clients every six months. To conduct more regular assessments would require an increase in our resources.

Q. That will be a particularly pressing problem for you in the community. How will you answer people who become locked out because of others receiving long-term care?--A.

Recommendations have been made to the board a few times. We try to make sure that clients do not become dependent on us. We try to keep them independent in their own home. A developmental component to the service in my view should be part of the service. We are helping older people. Though they are getting older and perhaps sicker, we should try to encourage people not to use the service unless there is no other alternative. I was in England a few months ago, and a lot of their programmes showed the need to run very intensive services to help people who come out of hospital not needing more than a short-term intensive home care service. When we get the resources to diversify more, we may try that. There is certainly a need to stop building up a bank of people who become almost part of the family, as it were, if we do not make efforts to help them get on their own feet.

Q. Would you agree that at the moment your hopes in response to my concern will be largely unsatisfied because you have a built-in dependency mode in the present service in that your clients generally see the people providing the assistance and no one else until the six-month review comes up, and it is only at the six-month review that the assessor can encourage a return to self-sufficiency?--A. (Mr Pryke) We see that as one of our in-built problems and dangers.

Q. In terms of the Budget allocation, what input did the board have in the development of the Budget allocation that was finally arrived at for this year?

CHAIRMAN: Do you mean overall?

Mr SMILES: Yes?---A. We first start discussing the Budget in February, and it comes up regularly each month. In between *that* there are discussions~ mostly through Paul, with Treasury and with the Department of Youth and Community Services. There is really to-ing and fro-ing. The whole thing is going backwards and forwards and coming before the board regularly each month. We are looking at four or five months.

Q. Is the board involved with future projections of budgetary needs? Does the board contemplate future projections into, say, the next five years of the service's needs?---A. 'We have not put them forward from the board in budgetary terms, but we have long-term goals that we see as having budgetary implications. We have not as yet put those forward in dollar terms.

Q. Will you?---A. We would like to, but what priority we would get would need to be talked out more.

Q. *Statistics* quoted to the Committee included actual field hours and budgeted administrative hours? --A. (Mr Bullen) Yes.

Q. Why are budget administrative hours quoted?---A. Overall and usually the budget/actuals would be fairly close. There have been, particularly around that time~ a lot of short-term variations because of changing systems, and so on~ and the actuals~ consistent with the rest of *the statistics*, would not have given a fair representation of what was taking place.

Q. Can you now, or in the near future, provide the Committee with actual administrative hours?---A. Yes~ certainly~ and we can

provide the comparisons between budget and actual branch by branch or on a regional basis.

Q. I should appreciate it if we could have that by branch and region.

Dr REFSHAUGE: Presumably the hours that are handed out to each branch are done at the beginning of each financial year. Is that correct?---A. Not necessarily. It could be done at different times, depending on what else is taking place. If you took the last financial year, branches had a certain level of hours confirmed, but during the year adjustments were made because of, for example, additional funds through the HACC programme. This year the same will occur *that* branches at the beginning will have one figure in January and branches will be given adjustments for others.

Q. Is there ever an adjustment down?---A. Yes.

Q. What would cause *that* to happen?---A. Sometimes it can be done because branches in a region - and I know this has happened on the North Coast, for example - have identified *that* the way in which the hours are distributed between branches is inequitable because someone has excess and someone has less. They say, "We want to formalize taking the hours out of here *and* putting them in here. It could happen because, for example, historically, branches were funded on a submission model and *that*, in a sense, means *that* people who cry the loudest get the most. We have tried to fund on a needs model, but *that* means you may want to put resources into areas where there is not sufficient infrastructure, so you have to allow for time to build it up. We have certainly had cases where we have allocated hours; they have not been able to cope, so we have cut them back. It said, "When you can use the extra hours in

six or nine months time we will increase it again, but in the interim those hours will be used somewhere else in the State'.

Q. Obviously you cannot provide all the services that people require. Do your assessors try to find alternative service providers like family or neighbours?---A. (Ms Murphy) Not usually family and neighbours, but we often give out information on private avenues for service or lots of home support services that might be of assistance to them.

Q. Why not family and neighbours?---A. Often I think that is felt to be confidential and between the family. If permission is given by the person for us to contact the family, then we will do it.

Q. Do you usually find that they have already exhausted those avenues before they get in touch with you?---A. That is often the case. People who come to us often are those who do not have family or have not got the networks that welcome them.

Mr WALSH: Earlier you mentioned with new programmes you would look at redressing the historical inequities that have arisen. How long do you see that will take to get things on an even keel for a fair distribution of funds in terms of need?---A. (Mr Bullen) In the 1983-84 financial year, which was a year where there was significant growth, nearly all the growth funds went into areas where there was less. Much of that redress will have already taken place. I would say with the new funds under HACC this year it will not be perfect but it will be close to being that. We do have the needs indicators that we use plus the proportion of funds in each region, which can show you over years what the differences are between the needs indicators and what was actually there, and that will give you a better idea on a figures basis.

Q. I do not want to parochialize, but the Maitland case has' been put to the board, I understand, where Cessnock, which is next door, gets double the hours for half the population. I know that is widespread throughout the State?---A. We are a bit limited at the moment. A key part of needs indicators is accurate census figures. We have had to make a number of judgments based on what we think has happened since the 1981 census. When we get the new census figures we may be able to say that we are more out of kilter than we thought we were and Cessnock and Maitland might be evened out.

CHAIRMAN: What is the 1986-87 budget in terms of federal government money, State government money, donations and client fees?---A. This current year?

Q. Yes.---A. The budget is approximately \$55 million.

Q. From where?---A. Approximately \$%0 million is government and approximately half is from State and federal. The State and federal provisions are quite complicated to work out accurately.

Q. That is why I asked the question. We were trying to work it out from the Budget Papers
A. It is impossible, and it does not match. The reason why it does not match is that the figures in the Budget Papers will not match with our budget at the moment. The figures in the Budget Papers only provide for what is called the base level of funding under HACC. It does not provide for growth funding, the round 1, the round 2 projects, the attendant care programme. For those projects a certain amount of money has been dollar-for-dollar½ a certain amount was gratis; a certain amount was two-for-one. The net effect is that approximately half the funding we get - and I Just say approximately - is fifty-fifty. Some projects we

are funded under are 100 per cent Commonwealth; some are two-for-one; some are one-for-one.

Q. So that \$43million that was in the Budget is not State Government money: half of it is State Governments the other half is federal. Are you quite sure of that?---A. The figures might be closer to \$47 million approximately. Half of that approximately is State-federal. That is the base level. In addition to the base there are a couple of million for growth and, in addition, there are what is called the round 1 and round 2 HACC projects.

Q. What sort of money are you talking about there?---A. All up, we are talking about approximately \$50 million from the government.

Q. In client fees?---A. In client fees you are talking about approximately \$4 million to \$5 million. Then interest will be in the hundreds of thousands, and then there is some sundry income, which is negligible.

CHAIRMAN: So somewhere between \$55 million and \$56 million. Mr WALSH: Of that \$56 million can you identify the HACC money directly?---A. The HACC money is really the money from the government.

Q. You cannot really identify the amount as such?---A. How do you mean?

Q. The federal money A. When you say HACC money, I am confused because in a sense all the money coming to home care from the government at the moment is HACC money.

CHAIRMAN: What you are really being asked is federal government HACC money?---A. We can say that approximately \$25 million will be federal and approximately \$25 million will be State. It is further complicated because agreement has not been reached yet between Commonwealth and State on payment of the awards.

It is not likely, but it is possible that the Commonwealth might say, "We are not going to pay for the awards", and then a decision would have to be made whether the State would put in more or whether we would reduce services. It may not change our overall budget, but it could substantially change the mix of State and Commonwealth funding.

Q. In a budget of \$55 million, \$10,000 for training is fairly infinitesimal?--A. There is \$900,000 in the budget for training. That cost is mainly paying for relief staff so that staff can attend training courses. A large amount of money will go into training. I was indicating that we were not paying a lot of money to outside consultants to give training sessions. It is minimal money because a lot of the training would be run by home care staff; a lot of it would be run by people who are already involved - for example, working for other organizations but who are prepared to run sessions for us.

Q. In your annual report on the third page you allude to the executive director. In the last sentence you say, "Paul Bullen has settled into the job well despite the unsettled conditions that faced him". What were they? ---A. (Mr Pryke) All of them? The previous executive director resigned after a lot of very hard and very good work, but it was at a time that was still in the wake of a disagreement we had had with the Government really in terms of spending of the previous allocation when, even though we got extra money from the Government in the 1984-85 year, it was less than the level of service we were getting at the end of 1983-84. So there was in a sense less money coming in, and therefore services had to be reduced or frozen.

That caused an enormous upset for our clients who were very upset about it, as we were, and caused a lot of hassle and caused disagreement with several Government departments, including the Premier's Department and our own Minister then. It really was a very hassling time to sort that out and to get on an even keel with our client groups and the various Government bodies that we are related to. That has all been done very well; but it was a misunderstanding between the money to be spent from the big we were given a 107 per cent increase in October for the year starting in July, and we had to spend it all really by May and develop the infrastructure in which to spend it, which was impossible. That was the major thing. (The witnesses withdrew)

MINUTES OF EVIDENCE

TAKEN BEFORE

THE PUBLIC ACCOUNTS COMMITTEE

At Sydney on Tuesday, 4th November, 1986

The Committee met at 9.30 a.m.

PRESENT

Mr J.H. MURRAY (Chairman)

Dr A.J. REFSHAUGE Mr A.P. WALSH

Mr P.M. SMILES

WILLIAM FREDERICK OTTLEY (known as Bill), President of the Combined Pensioners Association, Pensioner and Stirrer, of [REDACTED], sworn and examined;

JOHN PATRICK BARBER, Research Officer, Combined Pensioners Association, of [REDACTED], and LINDA GAY ADAMSON, Research Officer, Combined Pensioners Association, of [REDACTED], affirmed and examined:

CHAIRMAN: Have each of you received a summons issued under my hand to attend the sitting of this Committee in accordance with the terms of the Parliamentary Evidence Act, 19017---A. (All witnesses) Yes.

Mr SMILES: In an effort to project this Committee as an empathizing, caring, welfare-oriented committee, I shall continue, if I may, to use Christian names. My Christian name is Phillip. I understand that your organization, Bill, represents some 35 000 pensioners?---A. (Mr Ottley) That is correct.

Q. Is this in New South Wales?---A. That is New South Wales, yes.

Q. Are you represented on the home care board?---A. Yes, we are.

(Ms Adamson) Val Innes is our representative. Q. How is Val Innes chosen, selected or elected to that position?---A. She is a member of the health and community services subcommittee. Can I explain the structure?

Q. Yes.---A. Our association has 55 000 members. Most of them are in branches. Similar I suppose to the

Australian Labor Party in organization, they elect delegates to attend our annual conference which determines the policies for the association for the forthcoming year. They also elect an executive that works to those policies for the year, and the staff works to the executive. We have a series of committees that are within our constitution, one of which is the health and community services subcommittee which nominated Val Innes to the State executive which hence put her name forward to the home care board.

Q. Basically, Bill, what does your organization see as its role as a member of the State Advisory Committee? ---A. (Mr Ottley) It sees as its role a watching brief, plus an active part in looking after those people who require help from the health and community care assortment particularly. I am going to say that the philosophy of health and community care has been adopted by all members of all the political parties. There is an idea of looking after people, whether they are aged, invalided or requiring other help as pensioners and, particularly in the case of the invalided and the aged, to keep them out of necessarily going into nursing homes.

One of the things that we particularly look at and We are very concerned about is the methods of assessment that are adopted by various assessment teams. We feel that assessment teams should have a member of the particular group of society or portion of society so that the person who has been assessed can have a better assessment made of his position. I particularly say that about the ageing and invalided members of the ethnic groups.

Q. Given your comments, do you believe the board of-home care has adequate user group representation? Do you believe your organization is adequately represented? That is not a comment on the lady concerned but a comment on the methods?---A. I think possibly we could have more representation on it.

(Ms Adamson) I think it is good that the Home Care Service has moved to allow consumer representation on the board. It is a very, very welcome step. I think perhaps there are more things that can be done in this particular area. We are particularly concerned that consumer representation on any board is not mere tokenism, and we feel that consumer reps need to be adequately resourced and briefed. As all members of the committee would be aware, to get to the position that you have requires a lot of skills and learning. We would put to the Committee that sometimes our members, coming from the background that they have come from, are often put into committee structures without necessarily back-up and skills training in order to work effectively in groups, and also to work effectively with some of the very large policies and programmes that the Government has now implemented. and

I speak particularly here of the home/community care programme, understanding the ramifications of what you yourselves realize is a very complex issue, though it has very practical and clear goals and objectives. We would also like to see throughout New South Wales greater consumer representation on the home care branch structures as well, because we feel that we support the structure of the home care board itself but feel that there is greater room for consumer involvement at grass roots level.

Q. Is there one representative at the grass roots level?---A. There are definitely more. We do not keep tabs on how many there are, but there are definitely more. I see the Home Care Service moving definitely in that direction. We would urge the Committee to consider the need for further resources, because it is a voluntary position.

Q. John, I should like to ask you one general question. You came in with Bill and Linda towards the middle of our previous discussions with Mr Pryke, Mr Bullen and Ms Murphy. Is there anything you would like to comment on in that regard, within the perspective of your organization?---

A. (Mr Barber) Quite a few, actually. One of the things we would be concerned that the Committee should recognize is that the Home Care Service is operating in a volatile and changing environment. The Home Care Service and all the community services coming under the HACC programme will come under increasing pressure as State and Commonwealth Governments change policy with impact on community services. We have seen changes to the public hospital system. We have seen shorter stays in hospital. We have seen the falling away of convalescing institutions. We have seen the implementation of the Richmond report. At federal level we have seen changes to nursing home and hostel administration which is effectively closing off options that used to exist. The Government is limiting the number of options for many elderly people.

In that environment, pressure on the Home Care Service will be much more critical. The other issue that needs to be taken up, arising out of the earlier discussion, is that the expectations of elderly people for home care, in our view, and as the result of quite a bit of research that is emerging in

the Aging and Family Project at the Australian National University, are exceptionally low. There was discussion earlier about whether you refer people back to their families if the service cannot cope or has difficulty coping with the number of hours required. Those sorts of suggestions need evaluation in light of the fact that elderly people do not want to be burdens on their families. Many families are incapable of providing the support they might have been able to provide in the past. There are changing demographic and employment trends and you have a lot more women moving into the workforce. Many women are bearing children at later ages. The reality is, far and away, that many families are no longer in a position to provide support. More important, elderly people do not want to bring pressure back to their families.

What we have seen in the most recent past is a situation where many elderly people saw the options as either coping by themselves or going into an institution. The community services, of which the Home Care Service is one, have never had a particularly high profile. They have never been seen as a safety net by the consumers of the service. I feel there will be increasing pressure on home care and other community services to make themselves visible. Otherwise we shall end up seeing elderly people trying to cope where they cannot cope. We shall see institutionalization resulting either through the hospital system, which will cost the State money, or through the nursing home system, which will cost the Commonwealth Government money. All these services cost money to the taxpayer.

We have to encourage a much higher profile for the Home Care Service. We also must try to encourage governments to spend more money on community services. Often we hear talk of the

brassplate syndrome. But you cannot put a brassplate on a community service. You cannot open a community service like you can a nursing home, with bricks and mortar. Overseas experience has demonstrated moves along the lines we are seeing in Australia: the closing down of institutions or, alternatively, the restriction on their growth. We have seen that community services have not grown to fill the gap as many policies and politicians have promised. This was particularly so with Britain. We have to be aware of the fact that although there are a lot of restrictions being placed on the development of institutional services, and there is quite a lot of rhetoric about how community services should take their place to provide a more reasonable and cheaper option, there is a likelihood that the money will not end up going into the service at the rate that is required, that the lobbies getting around institutions will be effective in ensuring that money goes into institutions. These are not the sort of options preferred by the vast majority of elderly people, or people with disabilities. One of the things we would like to do is leave you with an issues paper we have knocked together quickly.

CHAIRMAN: I forgot to ask you do you want to add anything to your previous submission?--

-A. (Ms Adamson) Yes.

Q. You have something with you?--A. Yes. It reads as follows:

SUBMISSION TO THE PUBLIC ACCOUNTS COMMITTEE

November 3, 1986

Combined Pensioners' Association of N.S.W.

The Combined Pensioners' Association of N.S.W. welcomes this opportunity to address the Public Accounts Committee and its inquiry into the Home Care Service. We would like to raise the following issues;

A. THE WIDER VIEW

Implementation of Home and Community Care Program

The Home and Community Care Program (H.A.C.C.) aims to provide practical and comprehensive practical assistance to people with disabilities and the frail aged seeking to stay out of institutional care.

H.A.C.C. has implications for the Home Care Service in the following areas:

Funding: Both State and Federal Government are involved in triennial funding agreements with a basic commitment to increase the options for people living in the community.

Means Testings: H.A.C.C. will eventually aim at common practices across the broad range of community services.

Co-ordination: H.A.C.C. places a heavy emphasis on co-ordination between services to avoid duplication and waste and promote efficiency.

Evaluation/review: H.A.C.C. will provide opportunities for broad and continuing review of existing and new services.

Guidelines: H.A.C.C. has provided the need for clarity in guidelines and goals which can only increase consumer confidence in community services.

State policies and programs

The implementation of the Richmond Report, the move towards shorter hospital stay, and other programs promoting de-institutionalisation has led to increased demands on the resources of the Home Care Service of N.S.W. This increased demand is the natural result of caring for people in the community rather than in institutions and should be seen as an acceptable cost of such policies. There is no substantive evidence to show that care in the community should be more cost-effective than care in institutions.

Commonwealth Policies

The Department of Community Services is developing programs which will have important ramifications for the Home Care Service. The recent Nursing Home and Hostels Review is one such policy. Other initiatives are in the disability area.

B. BASIC COMPONENTS OF A GOOD SERVICE

The Association would like to briefly list some of the components of a good service from a consumer perspective:

1. Aims and guidelines reflecting a basic orientation to servicing the needs of clients.
2. This commitment is reflected in the desire to provide staff and management committees with appropriate skills and consumer-oriented attitudes through training.
3. A service commitment to sensible assessment policies which takes account of financial need and is able to assist in priority
4. Accountability to funding base and clients. This is reflected in flexible policies which take account of consumer needs and preferences and involve consumers in management structures.
5. Accessibility of consumers to the service (including those of non-english speaking background, aboriginal descent)

C. THE HOME CARE SERVICE

The Combined Pensioners' Association has found the Home Care Service of N.S.W. increasingly receptive to the needs of older consumers within a limited budget. The scarcity and ad hoc nature of community services in N.S.W. has meant the service has laboured under some difficulty to:

- * expand the accessibility of the Service to people from non-english speaking background and those of aboriginal descent
- * provide common guidelines and policies to ensure consumers across regions access to a similar quality service.
- * provide training to staff and management structures to improve the quality of the service.

- * improve accountability through including consumers in management structures

D. ISSUES OF CONCERN

Funding

The Association is concerned that funding for the Home Care Service is consistently below levels necessary to service the needs of the aged and disabled population of N.S.W. This situation is likely to worsen in the light of policy changes in the residential programs area.

Appropriateness to Consumer Need

Flexibility of service is crucial because of:

- a heterogeneous client population
- a changing client population
- a changing health/welfare environment
- appropriate assessment procedures

Accountability and evaluation of Service. This can be achieved through:

- formal structures for consumer input
- regular measures of client satisfaction
- establishment of complaints mechanisms
- information on the rights of clients

Policy Development and Administration

- the local management committee structure lends itself to consumer input.
- branch autonomy and committee structure are also seen as appropriate to address the needs of local client populations.
- branch autonomy should be limited by policy which sets the parameters for local action. Eg fees policy, means tests, AIDS clients, ethnic issues, should be dealt with in a policy framework which is representative of the local committees and the consumers of the service.
- current Board structure is also seen as appropriate to allow consumer input at the policy level.

Award Wages

- absolutely necessary to guarantee appropriate quality of staff, and enhance stability of staff
- recognise the value of the work performed.
- encourages employment creation

Co-Ordination of Services

- Home Care must recognise that it is part of a network of community services under the Home and Community Care Program and that there is a responsibility upon staff and management to actively participate in its management and development.

Mr WALSH: Is the question of the correct direction of funds, both State and federal, addressed in your paper?---A. You are talking about the home community care programme?

Q. It is the general issue of moving funds away from institutions.---A. The paper is really only dealing with points, but we would be quite happy to talk with you about that.

Mr SMILES: Thank you for the point form preparation. ---A. We are meeting our needs and yours.

Q. John, was there any other factor brought up in the earlier discussion?---A. (Mr Barber) Perhaps the best way for us to address those issues is to follow some of the points outlined in the paper.

Mr SMILES: I am happy with the point form in the paper at this stage.

CHAIRMAN: John, rather than have you talk to each of those, we shall later put questions to you which will obviously let you refer to each matter. We shall follow that system. ---A. I see.

Dr REFSHAUGE: You have spoken of the experience in Britain. One paper I saw recently suggested that deinstitutionalization does not actually save money, because it will cost more to look after people outside institutions except for the one small group of people who can actually be employed after leaving the institution. Do you think that is true of Australia?---A. That sort of outcome needs to be looked at in two ways. It is quite likely that if you were to provide community services for every person in an institution, and try to move them out, for many of them it would cost far more than is spent at the present time. The reality is that the Home Care Service and most of the other community services which

currently are part of the system in Australia have a major voluntary component, which is rarely costed. That always keeps costs down. The other thing we need to recognize is that of the potential client population we only ever see a very small proportion of them for formal services. In our experience and in the experience of recent results from the Aging and Family Project our experience shows that there are many people who could well be among the client population of the Home Care Service but they do not apply. They are not aware of it. They have a fierce independence, and struggle on.

It is unlikely that the stage will ever be reached when governments will ever have to face the problem of deciding whether it will cost more to provide community services.

I doubt whether community services will ever be adequately funded. There will always be that voluntary input. Even the new services that are being developed under the HACC programme are building into them voluntary labour. We experience problems with that. Voluntary labour is a risky base upon which to develop a service. There is a major problem also with accountability.

CHAIRMAN: But the service is not voluntary, is it?---A.No, not home care, but it has a voluntary component. There is the local branch structure and none of the branch management committees are paid.

Q. I think they are. The policy is that they now have to have two representatives on the board?---A. The recent changes concerning staff members on the committee who are paid are in effect but in general terms the management committee is not paid. It has been reported to us that when funds do not run out to the number of hours that are required often the staff make up that deficit by providing free hours, or free work. There is always this assumption that voluntary labour will fill the gaps. I doubt whether the situation will ever be arrived at where we will be looking at a totally costed community services network as opposed to an institutional form of care. Also, a lot of pressure has been applied for the Commonwealth not to move too far down that track of repatriating, if you like, people from institutions. There are major debates taking place relating to the attendant care programme. I am sure

the Commonwealth would prefer to be in the position of not having embarked upon this project.

(Ms Adamson) Unfortunately I do not think Australia has ever been in the position to carry out an adequate costing between an institution and an effective range of community services. The philosophy behind the HACC programme is to move towards providing enough options to give people real choices about where they reside. From our experience the problems that cause people to look to institutional forms of accommodation and retirement village accommodation are the practical problems of everyday life, such as who will mow the lawn, who will change the light bulbs and who will keep the lawn edges trimmed. These are significant problems for older people, particularly in making that choice. Unfortunately in some areas in Australia we have had pockets of lawn-mowing services, for example, and in other areas there are pockets of other types of services. Never in one particular area have we been able adequately to meet the needs of older people so that they can be given real choices. To a large extent it is impossible to cost out because we have never been in that position as a result of the heavy input of voluntary labour.

Q. Some people would say that those types of tasks for the people that you represent should be undertaken by younger members of the family and that by providing that service through home care you are allowing the sons and daughters to detach themselves from their parents and not visit them as regularly as they should. Usually it is part of the family ethos for the young members of the family to care for the older members and to change the light bulbs and mow the lawns?---A.(Mr Ottlex) Mr Chairman, if you were to take as an example your own

electorate and the street in which you live, people are being supported by their neighbours. They have no relatives at all. Last year I visited Britain and examined the way in which some of these services are provided. In the main they are provided by the local council of Greater London, which area I was examining. The services were provided in a better manner than they are in Australia because they had been provided for a long period. In addition to that, I was informed that they were not receiving as much service as they had in the past because the Government had cut back the money available for these types of services and it looked as though there were further cutbacks to be implemented at the end of last year. Australia is not looking after people in the way that it has in the past. In the 1950's and 1960's it was possible to have a favourable medico say that people could not look after their dads and mums and the favourable medico made arrangements to have these mums and dads placed in nursing homes. As a result we became nursing home oriented - which is bad. We were approaching it in the wrong way and we have to try to ensure that no more than 3 per cent of the population are placed in nursing homes, Australia-wide. I refer to Australia-wide because I have just returned from a fact-finding mission for the federal Government. The majority of people live all their lives in their own homes. We should be looking at ways to help them to continue to live in their own homes and not just relying on voluntary labour. I supply voluntary labour myself but we should not be relying on it to help governments solve these problems.

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{Ms Adamson) There is a large network of informal support for people living in their own homes. Studies have indicated that the major forms of support are family and nextdoor neighbour types. I hesitate to say friends, because in the long-term caring relationship the friendship mode will not support that type of long-term caring, which is often very physical and hard. The reality is we are facing major demographic changes in the community. The role of women in the work force has changed as has the geographic mobility of families. Women are bearing children at a greater age and are in that child-rearing phase at a greater age. These major demographic factors, and social factors, are having a greater input on the level of care that is provided within the community.

Mr WALSH: Is your organization represented on other boards or committees in the community welfare field?--(Mr Barber) We have representation on the New South Wales Council of Social Services, the National Advisory Council on Social Welfare, the Interim State Advisory Committee on the Home Community Care Programme and the Health Units Advisory Committee.

(Ms Adamson) We are seeking more and more to get consumer involvement in a greater range of services. Actually, the Combined Pensioners Association is this week working extremely hard to get together a major conference that will examine basically what I presume this Committee is examining, and that is public accountability of services from our perspective. It is called the User Rights Conference. One of

the main goals of that conference will be to open services up more and more to public scrutiny. We believe that we will only obtain efficient services if they are open to the consumer of those services. That will enhance the efficiency and delivery of the service.

(Mr Barber) One of the ways in which the services have traditionally been evaluated in Australia in the community welfare field is by reference to input. Often what is done is a prescription is arrived at as to how many people with certain qualifications would be required to meet certain needs. There has been virtually no attention given to the outcomes of services from the perspective of those who are using that service. This is the case in nursing home administration, hostels and community services.

CHAIRMAN: What about home care?---A. I think, yes, with home care as well. We have a situation where if it is increasingly the case, as it is likely to be, that we have a frailer population and a population that will experience more chronic forms of disability and who are not able to find accommodation in residential programmes, that population will remain in their own homes and be subject to the types of services that are available in the community welfare network. It is important from our perspective that the types of services available have built into them structures that are satisfactory to all clients and that this factor be fed back into the policy level. It is important that adequate mechanisms for this are provided at the branch level.

The Home Care Service use questionnaires to inquire into whether there is a role for regional home care services to evaluate the types of services provided by local branches. The need exists also for a complaints mechanism to ensure that people who are receiving community welfare services have an opportunity to reflect their experiences to the service and an independent group that would monitor community welfare services. The reality is that people are aware that there are problems associated with neglect and abuse within nursing homes and such places. Those problems occur also in people's homes but are not readily discernible. I am not painting a picture of conspiracy, where people will deliberately mistreat people, or things of that nature. Rather we need to be aware receive. that people will not always be happy with the services they

A mechanism to pick that up should be built into all community welfare services without any threat to those who are service consumers. We do not expect that they would say to the person who provides the service, "Yes, by the way, I do not like the way you did that", so that the role is not carried out by those at the local branch or the aides themselves. This problem is not unique to home care it is traditional. There is the assumption that people should be grateful for the community welfare services that are provided. Often it is forgotten that many of these services are paid for by the taxpayer and that these old people, the consumers of the service, are themselves taxpayers. No one ceases to pay taxes in Australia, until they are dead. There is a responsibility, therefore, on governments and funding bodies to ensure that these consumer evaluations are built into the administration of services.

(Ms Adamson) In fact, this is something that we would welcome as we move towards greater implementation of the home and community care programme across community services in Australia. HACC will have a tremendous impact on home care services, that is over the whole range of services, including Meals on Wheels and community transport schemes, et cetera, in Australia.

(Mr Ottley) On Thursday next the Commonwealth, through the Department of Community Services, is holding a seminar in Canberra to inquire into assessments. An Australia-wide representative group will attend that seminar, the feedback from which may be for more help from the States.

Q. Have you any comment to make about the assessment procedure of home care?---A. I do not wish to quote any particular case, but we have found that there is a problem about the way assessments take place. A particular female doctor has said that assessments should be done by medicos and paramedics only. We do not agree with that because they fail to get to the bottom of many problems. Also, many elderly people, particularly females, who come into contact with people they do not know become scared and confused when they are unable to give the answers that they should. I have referred also to people with ethnic backgrounds. As you would be aware, Dr Refshauge, after people with ethnic backgrounds leave their work they tend to lose whatever English they had as a second language, and this puts them in an even more difficult situation than previous.

(Ms Adamson) Can I just say on the current assessment policies of the Home Care Service, we do not have any difficulties with the current assessment policies and we would particularly support their overriding goal of providing a service to those with the greatest need. We realise with the limitation of funding that is often a difficult situation, particularly as Mr Bullen mentioned before that when you have a situation with limited funding and you have a person with a high level of need such as a younger disabled person and a person who perhaps needs one or two hours a week to be able to be maintained in their own home, such as an older person. I do not think that is an assessment problem as much as a funding problem. There is potential for priority setting but I think it is still an enormous strain on a service to come up with who has the greatest need.

I keep harking back to the home and community care programme but the whole area of assessment under that programme needs to be looked at carefully. It should not be the responsibility of one service alone to come up with assessment policies for the future, mainly because one of the goals of the home and community care programme is moving towards greater co-ordination between services. What we fear with the development of community services is that if each service develops its own assessment process and sends its own assessor out to a person to determine services, that is not going to lead to greater efficiency and co-ordination between services.

I was interested also in Mr Pryke's point in response to Mr Smiles' question about the high level of older people who are regular customers, if you like, of the Home Care Service. I think this also has to be looked at in the assessment process and also the roles of different services under the home and community care programme. Obviously the current assessment process and the current level of training and skills of staff of Home Care could not cope with identifying the needs of people for independent living and meeting that need with the current level of funding. If we are looking at assessment, I think we have to look at it in the broader aspect and the range of community services that might be needed by any one person, to give them options to stay away from institutional living and also to look at the skills that might be needed by those persons to maintain their standard of living in their own homes.

Q. Who does the assessing? Is it the Home Care assessor or the Meals on Wheels assessor or is it the health department assessor?---A. At the moment it is incredibly ad hoc and depends which region you are in. Obviously the Home Care Service has a uniform policy of assessment throughout New South Wales but as we are talking about more and more community services moving into this area - there is the community transport scheme for example. you might have a Meals on Wheels co-ordinator who does one form of assessment that looks at one set of needs alone. The Home Care Services assessor is looking at another set of needs. At the moment the two are not getting together to say what this person might need

is a physiotherapist. Instead, two services are filling two sets of needs determined by their assessment procedures. It is the responsibility of different services to be able to meet together under the home care programme to plan more effective assessment processes.

Q. My colleagues could correct me here, but I think in Tasmania it is the Home Nursing Service that does the overall assessment for what we have in terms of Meals on Wheels and medical needs as well as home care.

Mr WALSH: It was all bar Meals on Wheels.---A. We see the need for the input of people with a nursing background into an assessment process. We fear however that our reliance on a medical framework for assessing people has led to the situation where - with apologies to Dr Refshauge - there is a heavy reliance on institutional forms of care where people are basically shepherded into beds and given nursing care and nothing else. Their social needs and other needs are not met. At the moment we are still in the process of formulating policies and working through the home and community care programme looking at a situation where we can have a blend of skills in assessing people for forms of care and, as Mr Ottley pointed out, the person or the person's advocate has a large role to play in that assessment process. There has to be some way where it is linked to availability of beds in nursing homes. I do not think we will ever get away from the situation that nursing homes are an essential part of a whole range of services provided to people in the community.

Q. You are looking now towards the co-ordination of those assessments rather than a clinical or non-clinical assessment.---A. We might be moving towards one service that is actually assessing for a range of services.

Q. It probably would be very difficult to achieve, I would imagine?---A. (Mr Barber) One of the ways the Commonwealth has overcome problems in relation to assessment for hostels and nursing homes is that they have accredited 'certain people as legitimate assessors for services or residential programmes. I would imagine one of the most rational ways to move for community services would be for the Home Care Service and all the other constituent groups under the umbrella of the HACC programme to get together and determine an assessment mechanism where people are accredited as assessors. So, you could have a situation where someone is assessed for home care services by a Meals on Wheels co-ordinator because there is a base assessment procedure which has been agreed to by the Home Care Service, Meals on Wheels and community transport, and so on. Then you have one person doing the assessment on behalf of all the services, and capable of arranging services from a range of different agencies to meet that person's total range of needs rather than having, as we have at the moment, six or seven assessors lining up on the door step wanting to do one assessment after the other.

I think that throws responsibility back on to the HACC programme and the funding bodies - the State and federal governments - and it is also the responsibility of

the services funded under HACC to start looking at the areas of common interest.

CHAIRMAN: What you are advocating is That that person would be better suited from the Home Nursing Service than from the Home Care Service?---A. (Ms Adamson) The assessor?

Q. Yes.---A. No, I think what we are really advocating is that the professional skills of nursing and assessing and medical skills are incorporated into a common form, if you like, that would also take into account the social needs of those persons and, say, the physiotherapy needs of those persons so you would have a common set of criteria in an assessment form that would look at medical needs, social needs and so on.

Q. I understand that, but where do you get the personnel from?---A. We do not have the answer at the moment. This is the home and community care programme which has only been around for two years. We are finding it is going to have large ramifications for all services. We are looking towards the government to provide some sort of channel to get people together so we can start talking about these issues between services. For far too long in Australia we have had the situation where this service has developed in one way and another service has developed in another way. The consumer is caught in the middle, scratching his head about where to go and what to do. Perhaps they fall in the middle and no particular service meets their needs.

Dr REFSHAUGE: Are you suggesting the needs for a multitude of services will be required suddenly by a client?---A. No, not necessarily. They could be. Particularly those people who are fresh out of hospital.

Q. Therefore, would they not need regular different assessments anyway? They could have a need for home care this week; next month a need for meals on wheels and the month after that a need for community transport? Your initial assessment refers only to home care. Are they all turning up on the same day and if that is the case is it because the clients suddenly fall into a massive hole or is it that they have not been picked up for many years and they are finding the needs incredibly slow?---A. I think what people are looking for at the moment is one source of referral, somewhere they can go somewhere their doctor can put them in touch with, one agency that knows all the services in the area. At the moment what happens, if they actually think of it, is they might ring the local council who might, if it has one, put them on to a worker with the aged who might know how to slot them into services. It is an extremely random process and it relies on wit and cunning to get to the services they need. When we are talking about assessment, we see it as regular assessment. The form though, would be assessing on people's needs, not according to what services are available. So, you would have an assessment process that would determine that a person needs a meals service or home care. At the moment you have someone who assesses for Meals on Wheels which delivers one hot meal three to five days a week. That person might

have a need for a shopping or cooking facility. The services is there and the person is slotted in to that service. The home and community care programme is putting that on its head. It says you look at the person and slot the services in around that person. It could be one assessment form or mechanism or process that can actually say this person needs a range of different services and then you go looking for the services.

Mr Ottley refreshed my memory that in South Australia there is a new form of assessment procedure called community options. It is only a pilot scheme and it started so that you treat the person with the needs and then buy in the services. It recognizes the fact that in Australia the services are not there for those people. They act as a brokerage system so they can actually buy in services and direct services to help those people's needs. It has had a remarkable effect on the admission rates to nursing homes and other institutions in South Australia.

Mr WALSH: How would you describe your relationship and with Youth/Community Services as it applies to home care?--- A. (Mr Ottley) We have a very good rapport with the HACC programme through the Department of Youth and Community Services. We also have a good rapport with the federal sphere in the HACC field.

(Ms Adamson) We are involved in the interim State advisory committee, we have representation there. The whole HACC programme is very exciting because it is looking at involving consumers in the actual planning and administration of services. So, we also have our branch members involved in HACC forums throughout New South Wales. These are very grass

roots organizations working very closely with Youth and 'Community Services developing planning on a needs-based basis. In the past we have seen planning for services on a submission basis. Those who had the loudest voice usually received the service. Now we are seeking to change that orientation towards the needs-based. The problem with needs-based planning, as Senator Grimes has always said, is there are more statistics on cows and sheep in Australia than there are on people. There is a great need for more detailed research and statistics on human services planning, both at Commonwealth and State level.

Q. As a policy do you encourage your members to become members of branches of home care?---A. (Mr Ottley) Yes.

Q. Do you have any statistics on that membership?--- A. (Ms Adamson) We do not have any statistics. However, we do encourage our members to be involved in the local community services. Perhaps at this stage I could tell you about some of the ways we help people get involved. A lot of our members left school at an extremely early age due to the depression and the war and have not been back to any school or training facility since. We are actually running some programmes. One is called pathways to action and another you might be interested in is our consumer representation skills training where we are actually looking at the skills of communication and advocacy and attempting to draw older people together in an adult learning situation to enhance those skills and develop this skills. Basically it is a matter of giving people confidence that they, as older people, have something of value to contribute to planning services.

At the moment we have a situation where we tend to think that older people have nothing to contribute and we tend to set up structures and committees that will exclude older people either through the words we use or the times that we have meetings - at night times -and a whole range of structures where we can exclude older people. Our work with pathways to action and with our consumer representative training is trying to give people confidence; if people are speaking in words they cannot understand to say, "I have something to contribute, could you speak in my language". It is a very practical orientation we are taking to give people skills.

(Mr Barber) It is rather a hollow gesture to tell welfare consumers, „We will give you a seat on a board or committee" for the very reasons that Ms. Adamson outlined. One thing about community management and the opportunities for consumers to play that role is that those opportunities must be adequately resourced. It is rare that training is offered for people who take up such roles. Yet training is offered to everybody else who takes on a paid position. Sometimes unpaid positions are just as complex, involving decisions about budgeting, policy, administration and staff development. Yet very little or no training is provided to those who fill those roles. Training is one area we constantly push as one of our barrows in community services. As well as the staff being trained, voluntary management and consumers whom one seeks to introduce to that management structure should also receive training.

Dr REFSHAUGE: Your submission refers to means testing, without saying specifically whether it is a good or bad idea.

You were present when this matter was discussed with the previous group of witnesses, and their method of determining how much people should pay. What do you think of that system?---A. (Ms. Adamson) We are happy with how the Home Care Service places the greatest emphasis on granting service to those most in need. At risk of harking back to it, our submission speaks more in line with the development under the Home and Community Care programme. Some people are housebound or have severe forms of chronic illness or disability. The greatest cost to them of living particularly on a pension has not been taken into account either in determining the pension or, significantly, in much of the current means testing.

Some of the federal Government policies are leaving pensioners further and further below the poverty line. That has important

ramifications for means testing community services. Fewer and fewer pensioners can afford to pay for the services they need. Like yourself, Dr Refshauge, we agree that many people who can afford to pay are not paying at the moment. If you ask an older person how much they can afford, they will say they can afford more than they actually can. They are not used to the attitude of handouts. The majority of them are fiercely independent and do not like to be seen as recipients of any form of charity. Any means testing policy must acknowledge that many older people feel insecure about someone assessing them.

Q. You have covered the problems of both systems?--- A. (Mr Barber) There is a range of means tests. I believe there are more means tests than one could poke a stick at. The one with which pensioners are most familiar is that used by the social security system. One could argue whether that is too harsh, too liberal or whatever.

If a means test is to be employed pensioners are more familiar with the social security test. That could well be used to determine whether people should qualify for fringe benefits - though I am not necessarily advocating that should be adopted. Any discussion about means testing must take into account the fact that if a person goes into a nursing home the Commonwealth Government, or the taxpayer specifically, subsidizes that stay in a nursing home, as well as subsidizing the profit to the private operators of those homes.

If home care is an option compared with residential programmes, we must consider the way in which means tests are or are not applied to other programmes. There is no means testing of the

nursing home subsidy. That subsidy is available to anyone who goes into a nursing home. A broader perspective must be applied to means testing. However, if such a test is to be adopted, I believe we should consider the test applied for social security.

Q. Do I understand you to say that you like the system as it is but you accept that there are problems in that people who could afford to pay more are not; and that the imposition of a means test will involve a new system that may work out worse.

(Ms. Adamson) It would be a very complicated step to take. I do not think anyone has come up with the answer to means testing which we could adopt. We are looking to some system that could take into account the associated costs of disability. Some people have greater outgoing costs than others. We also need to consider the number, length and type of services that people need. Some people are paying \$2 a day for meals on wheels while others are paying \$10 a day. There is a whole range of policies. It should not be for any one service to impose its own means test; means testing should be rationally planned among a variety of organizations, so that any one person is not penalized to a greater extent than others; including, as Mr Barber said, being penalized greater than those in nursing homes. So, we are dodging the question a little.

Q. Should the services be free for pensioners? The budget is for \$55 million, of which \$50 million will come from the Government and \$5 million from fees. It will still be functioning at the same level?---A. (Mr Ottley) Pensioners generally are means tested. Any means test in any part of the English-speaking world has a cut-off point. Those people just above the out-off point feel they have been left out and badly

treated. Possibly the least objectionable of the means test in Australia is the Commonwealth health benefit card. If that were to be used as a measure of how health and community care should be made available, that would probably be the best system under the present circumstances.

CHAIRMAN: Would you explain that criteria? Some pensioners receive a Commonwealth health benefit card, though others do not?---A. Yes.

Q. One must be a full pensioner to receive a card?---A.

(Ms. Adamson) They could be a part-pensioner.

Q. A part-pensioner will receive a health benefit card?--- A. Yes.

Q. What is the cut-off point?---A. (Mr Ottley) A single pensioner can retain the health benefit card so long as their income and pension, does not exceed \$250 per week. However, the pension will be reduced between \$30 and \$50 at the rate of \$1 for every \$2 they earn.

Q. They can earn \$50 over and above the single pension rate and still retain a health benefit card?---A. Yes.

Q. What is the cut-off point for a married couple?---A. The married figure starts at \$50 a week and cuts off at \$70 a week,

Q. A married couple may earn \$70 a week and retain the health benefit card?---A. (Ms Adamson) They can earn a bit more than that. I think it is \$112 for a married couple and \$68 for single pensioners.

(Mr Barber) The pension begins to decrease beyond those limits, but they retain the health benefit card. All these considerations must be qualified by the issues Ms Adamson mentioned about disability.

(Ms Adamson): And the fact that the pension is so far below the poverty line.

Dr REFSHAUGE: Should the services be provided free to pensioners, and should there be a point at which pension and health card eligibility cuts out? At the moment there is negotiation as to how much the client is willing to pay, as opposed to it being free unless they are rich?---A. (Mr Barber) Do you believe that the pensions test and assets test are fair?

Q. I am not asking whether they are fair. I am asking whether they should be free. On the one hand you speak about fiercely independent pensioners who want to maintain their independence. On the other hand it could be advocated the services should be free. How do you marry those two approaches? (Ms Adamson) If the federal Government provided a standard of living to allow people to live with dignity, they could afford to pay for services. This federal Government not only has deferred the consumer price indexation to pensioners, but next July will place pensioners in the highest tax bracket in Australia, even higher than any top income earner. So pensioners are living on an income that does not allow them the luxury of living with dignity. So we see no dilemma between those two stand s.

Also, we must look at the other sorts of services being provided. Whatever means test is introduced, we must ensure that a person is not being doubly, triply or quadruply means tested. Many of our people feel considerable pressure because no matter which way they turn with their finances, they are hit with a means test. They can never seem to escape the horrendous poverty traps.

Q. Who is eligible to Join your organization? Must one be in receipt of a pension?--A. (Mr Ottley) Our rules are rather flexible. We can decide whether a person is concerned about welfare. If they are concerned, we welcome them as a member.

(Ms Adamson) Our charter provides for invalid pensions and supporting parent pensions as well. It is not restricted to age pensions.

Q. What changes would you advocate in the Home Care Service structure and organization?--A. (Mr Barber) Some of the areas touched on before to do with the capacity of the Home Care Service to plug into the response of consumers to services. I do not think that is effected by having only one representative of the Combined Pensioners Association and the Disabled Persons International on the board. As the local branch is located, if you like, at the coal face, they should have structures to feed through to the local branch management committee in order to pick up the concerns of the clients. As I said previously, there must be some sort of complaints mechanism. I call it a complaints mechanism because that is the easiest way to describe it. I refer to some way by which the consumers of the service, without any duress put upon them, can comment easily on the quality and quantity of service they receive.

Ideally that should not be something like, "Here is a service. Ring up the branch and tell us what you think", because people will not ring up. Most people probably will not make a complaint, but increasingly we are finding that a consumer movement is developing in the welfare sector. It is being fostered by organizations like the Combined Pensioners Association and others, where people are being encouraged to develop a view that they have a right to be critical of services and, indeed, they have a responsibility.

We would be happy if the Home Care Service looked closely, and indeed if your Committee looked closely, at these sorts of issues. We do not have any blueprints of how you put them in place, but it is something that needs to be addressed. It might well be that it will be addressed under the home and community care programme as something that will operate in a region and will act as a channel for comment on a range of services that are funded under HACC in that area. It is something that the Home Care Service needs to get into.

Information for clients about what their rights are needs to be developed. Home care has a lot of literature; it has it in different languages, and that is excellent. Home care has shown the way for a lot of services in the way it has responded to the varying needs of its client population. One of the things that we need to recognize is that a lot of elderly people have problems with their sight. It would be good to develop cassettes or something like that so that on assessment of a client a cassette could be left with the client, which would give them an aural

introduction to the service, tell them what their rights are, what they can expect, and a bit of information about the other types of services in the area.

(Ms Adamson) Just a few other points. Probably it is a reflection more on the level of funding that is available for the home care service than anything else, but we know they are moving towards providing greater services and more flexible services for migrants and people of Aboriginal background. However, there is a long way to go there before you have a service that is recognizable by the migrant community and the Aboriginal community as appropriate to their needs.

I should like to see greater emphasis placed by home care on those particular areas with adequate funding and not be caught in the position where funding for aged people or people with disabilities is decreased to allow for expansion in another area. It is the same for people with disabilities. At the moment there is some dissatisfaction expressed by younger people with disabilities about the sorts of services provided by the home care service. Again home care is trapped in a funding situation where younger people with disabilities have need for greater hours than comparative needs of older people who might just need a couple of hours of cleaning or personal care services.

Greater flexibility to provide services for people with disabilities would be greatly welcomed. Under the new home and community care programme there will be much greater involvement of the home care service and personnel in being a leading light in the home and community care programme.

They are one of the major service providers in New South Wales

and we would welcome their greater co-operation with other services and with the State and federal Governments in determining policies on means testing or policies on assessment.

Dr REFSHAUGE: You were talking, John, about complaints. What happens if a member of your organization rings up and says, "I got assessed by home care and they said I am not suitable for home care, and the person next door is in exactly the same position and they are getting twenty hours per week"? What do you do? Do you complain to home care, or have you ever complained to home care, and what was the response?---A. (Mr Barber) It varies.

(Ms Adamson) We endeavour to operate within the structures under which the home care service already operates, which is asking those people to get in touch with their local member or their local regional co-ordinator and their local committee. Most often our complaints are not so much that the person next door has received twenty hours'assistance, although that happened in the past when the hours were limited more severely; it is more in terms of the handyperson service. We received a lot of complaints about the handyperson service, which was offered one year and then withdrawn because there were greater priorities.

Q. I am not talking about governmental policy changes but about problems that you could easily perceive as being dissatisfaction with provision of service by a particular provider or particular branch?---A. It depends on the severity of the problem what we actually do. In most cases we would suggest to the people that they contact the local committee or the local chairperson of the local committee. Their first port of call is to speak to the local co-ordinator,

are available, otherwise we intervene with the local committee ourselves, or through our representative on the home care board and attempt to have the issue raised there.

Q. What is your experience with the results of that? ---A. It is mixed. A lot of complaints mechanisms - and I think that was the point John was raising - depend too much on personalities and not enough on structures. If a personality within the home care service or home care branch is amenable to consumers making complaints and having a say, it has been a positive result. That does not necessarily mean the service will be restored but at least that the person will be listened to and maybe the service will change direction around that person. If it is someone who does not believe that consumers have any right and that workers have the right and consumers are just there to get the service, you get problems.

Q. Do you ever take a complaint to the board if you do not think there has been a satisfactory result?---A. Not ourselves personally, but our representative, Val Innes, has.

Q. What sort of result does she get?---A. In the particular instance I am talking about, it was a handyperson service, and that was a funding constraint.

(The witnesses withdrew)

(Luncheon adjournment)

MINUTES OF EVIDENCE

TAKEN BEFORE

THE PUBLIC ACCOUNTS COMMITTEE

At Sydney on Tuesday, 4th November, 1986

The Committee met at 9.30 a.m.

PRESENT

Mr J.H. MURRAY (Chairman)

Dr A.J. REFSHAUGE Mr A.P. WALSH

Mr P.M. SMILES

HEINZ HEILPERN, Director-General of the Department of Youth and Community Services, affirmed and examined:

GARTH WARREN NOWLAND-FOREMAN, Assistant Director, Aged Services and Home Community Care, Department of Youth and Community Services, sworn and examined; and

DAVID WILLIAM MARCHANT, Acting Director, Policy Planning and Research, Department of Youth and Community Services, of [REDACTED], affirmed and examined:

CHAIRMAN: Did you each receive a summons issued under my hand to appear before the Committee?---A. (All witnesses) Yes.

Mr WALSH: Mr Heilpern, could you explain the role of the department vis-a-vis the Home Care Service of New South' Wales, particularly in the day-to-day administrative control and policy control?---A. (Mr Heilpern) As you have no doubt already been told, the board of the Home Care Service has the control of the Home Care Service, subject to any direction from the Minister. The responsibility of the department is to monitor the financial accountability of the Home Care Service.

Q. What liaison mechanisms, both formal and informal, exist between the department and the Home Care Service?---A. The department is represented on the board by an officer.

Q. Just one officer?---A. One officer, and there is informal contact between the executive officer and myself and other officers in the department. There is informal contact between officers in the Home Care Service and other officers of my department. There is informal contact between the chairman and myself and other officers of the department. There is, of course, the link between myself and my officers in having a common Minister with the Home Care Service.

Q. What seniority would the officer be from the department involved in home care?---A. Director of policy. That would vary where the director of policy goes or the assistant director, who is Garth Nowland-Foreman.

Q. The department does provide advice to the Minister on the Home Care Service. What is the current status of that advice?---A. We provide advice from time to time as requested by the Minister on particular matters. Perhaps he asks our advice and perhaps he does not. It is purely a matter for the Minister.

Q. Does the department consider that the current lines of control are adequate or would you like to see changes to that control? If so, what type of changes?---A. I think there are various options, but basically that is a policy decision for the Government. There is another role, of course an important link that we have in the financial control which is On a formal basis and is on a monthly basis where the Home Care Service is responsible to provide certain financial information to us, which we then provide to our Minister with our recommendations. Perhaps you would like David or Garth to describe that in some detail.

[Mr Marchant) Apart from the informal links on a policy basis and the representation on the board, there is a reporting basis with regard to the hours and financial expenditure from each of the periods. As you know, the Home Care Service operates not on monthly periods but thirteen four-weekly periods of funding and there is a formal linkage with the reporting to the budget branch of the department with regard to expenditures at the completion of the periods, within three weeks if possible, of both the actual expenditure and of the hours utilized during

each period. So there is a formal linking with regard to the use of the budget allocation provided to the Minister via the budget branch of the department. During those periods there is a readjustment made, depending on the outcomes, for the period next after. So there is a readjustment made on one period earlier; there is an advance made in the period they are actually being funded for; and an adjustment made based on the period prior to the period they are being funded for.

Q. So it is a very broad-based monitoring accountability? ---A. The accountability deals with the actual hours and money expended, based on the cash flow and agreed projections which are reported to the budget branch so they can be readjusted for the next periods.

Q. Do your local or regional officers have any functional or line responsibilities in relation to running either the head office of the Home Care Service or regional branch operations? ---A. (Mr Heilpern) No.

Q. No input whatever?---A. It might be on an informal basis but there is no hierarchical structure and there are no formal links, although there are lots of informal links. That varies from region to region. In some regions, in fact, they share offices with the department and there is close co-operation, generally speaking. Again it varies from region to region and from centre to centre.

Q. Would you like to see as a point of policy a closer relationship rather than that which exists in an informal sense? ---A. I think you can always improve relationships, but certainly I have had no complaints from my department and my departmental

officers as to a lack of co-operation between the Home Care Service. There is a fair amount of negotiation that goes on. We would obviously like to get the maximum hours of service for our clients, and the board has its responsibilities to determine its own priorities. So there is negotiation that goes on, but on the whole I think my officers are generally happy with the co-operation they are getting in the field.

Certainly the services of the Home Care Service are very valuable to my department, say, in the child protection area. Very often if we assess a family that has been notified and is perhaps before the court as being ready to go home, we might say they are ready to go home and the children should remain with the family, subject to their getting X number of hours relief because of our assessment that that family can only stay together if they do get that sort of relief. We might then negotiate with the Home Care Service to actually provide that relief.

CHAIRMAN: Do you believe that you, as the head of your department, should have a closer supervision over the Home Care Service?---A. That is certainly one of the options possible but that is really a decision that the Government has to make.

Q. Do you believe?---A. I think that is really a decision it is a policy matter. I think there are a number of options that are possible, a number of structures that are possible. That is certainly one of them. There are advantages and disadvantages, and I think it is a policy matter.

Mr WALSH: Taking this one step further, would you see it being advantageous to have Department of Youth and Community Service officers represented at either the community level or the regional level in terms of the department's input - not

necessarily from the point of view of accountability but the relationships which you said exist in an informal sense? ---A. I can certainly see some advantages in closer formal links at branch level, but again I have certainly not had complaints made to me by my officers that there is a sufficient lack of co-operation to require that. There seems to be no surge in that, but certainly as close a link as possible with the Home Care Service is an advantage to both the service and to my clients, and I think to the welfare needs of people in New South Wales.

Q. In relation to funding mechanisms, the department distributes funds involving many millions of dollars to many community groups, including home care, of course. Does the department favour submission-based funding or centrally assessed needs-based funding? Can you provide the pros and cons of both methods?---A. Yes.' I think probably the optimum is a needs-based model, but I do not think anyone has ever got to the optimum yet. There are just so many variations to a needs-based model. I think probably the one we are striving for is to move away from exclusive reliance on either one or the other. Up until, say, five years ago, the department relied almost exclusively on a submission-based model, and that skewed perhaps the funding base of the department because there are certain areas where people are more articulate and more capable of writing good submissions, and therefore the funding tends to go to those groups.

Certainly the department in recent years has moved more and more wherever possible, wherever the data is available, to a needs-based model, though using, in conjunction with that, submission bases to have a look and make sure we are right, and

also using local knowledge. Certainly we are moving towards a 'needs base and that is why the Home and Community Care programme started off very much on a needs base. As you know, HACC has significant relevance to the Home Care Service. So far as the Home Care Service is concerned, it follows what we want now - a needs-based model but with lots of local input to tell us whether that needs-based model is relevant for the area, because there might be very significant things happening to change, and you will always be relying on data that is somewhat out of date.

Q. Can you go further and describe the funding method for the HACC programme?---A. (Mr Nowland-Foreman) The Home and Community Care programme is a joint Commonwealth-State funding programme which was introduced on 10th February of this year when the then Premier, Mr Wran, and Senator Grimes signed the Home and Community Care Agreement. That agreement subsumes a number of programmes and funding legislation at the Commonwealth level. One of those pieces of legislation was the States Grants Home Care Act, which was in turn the funding vehicle for the Home Care Service of New South Wales. That means that the funding for the Home Care Service is now a part of the Home and Community Care programme as a whole. The Home Care Service in New South Wales is the largest single agency funded under that programme. Currently its allocation represents between 60 per cent and 65 per cent of the total home and community care funding.

CHAIRMAN: Do you know how much the budget is for home care?---A. For the Home Care Service of New South Wales?

Mr WALSH: How do you determine that allocation for home care from the programme?--
-A. The HACC programme, as a whole? In the way we have moved in this State we have a State co-ordinator, under the Minister for Youth and Community Services, and the Commonwealth Minister. They agree on priorities. We have the broad State priorities prior to a funding round. In effect, that sets the policy. We have the same agreed information on priorities for allocating any additional funds that are available. The first funding for home care in the community care programme meant that additional resources were provided to the Home Care Service of New South Wales specifically to upgrade services. That meant that there was an additional 17 950 hours per four-week period in the three targeted areas. This was provided to improve services in three targeted areas that had been previously under-represented. Those three groups in the target area were the non-English speaking group, people who were Aborigines and disabled people who required extensive personal care services. The allocation of the hours in those regions was done in negotiation with the Home Care Service to ensure that the regions had an equitable allocation of hours provided as a total under the programme.

Q. And in the allocation that was 65 per cent of the total?---A. In round terms, yes.

CHAIRMAN: Was that 65 per cent of the community services provided as a total by your department?---A. No.

Q. What percentage of the department's budget went to cover the aspect of youth and community services?---A.

(Mr Heilpern) About \$300 million. If you are talking about

the joint Commonwealth and State, that was \$50 million out of a total budget of \$310 million.

(Mr Marchant) That includes all departmental services.

(Mr Nowland-Foreman) The total recurrent budget of the department is approximately \$310 million.

(Mr Marchant) \$170 million relates to community funding which incorporates the \$50 million. If you look at the gross figures for HACC it probably amounts to \$50.6 million, so out of \$170 million that \$50 million goes into community groups in this State.

Q. Something like 29 per cent to 30 per cent?---A. About that.

Mr WALSH: And of that, a percentage is federal money? ~---A. Yes, that is right.

Q. Some of that \$300 million was federal money also? ---A. Yes.

Q. Commonwealth indicators have been developed by the department for programmes?---A. (Mr Heilpern) For the HACC programme and for certain other programmes such as the Commonwealth-State long day care programme. Certainly not all.

Q. What are these sort of HACC programmes that you have developed?~---A. (Mr Nowland-Foreman) For the HACC programme as a whole they are exceptionally weighted demographic information. What we are looking at basically is the distribution of people, indicators of people who would fall within the HACC target group. We weight that for certain need factors. The major weightings we give to it include people

born overseas, people on low incomes and people living alone. Other research has shown that those people, in addition to the general population requiring home care services as a whole, are in particular need.

The Home Care Service itself has developed a range of need indicators for distribution of the home care hours, and in planning the distribution of the home care hours, they are the indicators used.

Q. Historically, when were those indicators used?---A. The home and community care indicators obviously were introduced only with the programme. You are testing my memory as to when home care was first introduced, but I think it was about four years ago. No one seems to be contradicting me on that. It is certainly in that time period.

Dr REFSHAUGE: What weightings do you put on those particular things? Is it of more priority that they have a low income, or are living alone, or were born overseas?---A. The issue of need indicators is not an exact science, but it is important to recognize that it does represent a significant improvement on a passive approach that just waits for all communities to organize themselves into putting forward proposals. The two areas we have given particular weight to in the home and community care indicators have been, first, living alone and second, low income. We chose the first, living alone, because consistently the research in the age and disability field has shown that people without formal household family support are the group that require additional services. With low income as an indicator the programme can be

targeted to those who do not have the resources to buy the assistance in some other way, or otherwise use their own resources.

Q. With people on low income and those who are living alone, do you consider these when over a certain age?---A. With the home and community care indicators we basically face a choice of using census material or social security pension data. Because we were primarily concerned about people with lower incomes, and because the pension data is available to us, updated, four times a year, rather than going back to 1981 we decided to use the pension data as an indicator. It must be emphasized that what we are looking for is something that would give us an indicator, an approximation of the distribution of the people. We are short of conducting quite costly and massive annual surveys of our own each year which would not be justified by the expense. It is unlikely we would ever have the sort of detailed information available from other sources that would give us aggregations on a State level of individual people who may or may not require services. These are the indicators, and quite deliberately so. We are looking at the distribution of those people in the population. So we do have available some surveys from Social Security. We take four main categories of pensioner beneficiary, aged pensioners, people on an invalid pension, people on a sheltered employment allowance which is equivalent to an invalid pension but paid to a person who is working in a sheltered work, hop, and we have the handicapped children's allowance. Those are the basic demographic figures that are weighted.

Q. The weighting for the people who were born overseas, does that mean anywhere overseas?---A. We have available information from the service concerning people who were born in non-English speaking countries.

Q. Which one are you using?---A. That is the one we use.

Q. So it does not simply mean being born overseas. For living alone we use the closest available approximation, which is widowed, divorced, separated or never married. Obviously there are people in that category who are not living alone and there are people who are living alone but are not in that category. It is just an approximation.

Q. There must come a time when you actually add the weighting. Do you have a formula so that you can say this is the basic line for hours and services? Do you have that formula?---A. Yes, but do not ask me to recite it. There is a quite complex statistical procedure that is used to average and equalize all that information. It must be emphasized at this stage that all the indicators can give us is an indication of what would be a fair share or distribution of the given amount. Primarily it is aimed at determining a fair share for a geographic area.

(Mr Heilpern) I would be quite happy to table those.

CHAIRMAN: I come back to the matter of overall supervision of the department. Have you had a situation where 25 per cent or 30 per cent of spending in the community is not directly under the director's control? Do you say you are not worried about that?---A. It is under the Minister's control.

It is not under my control. The Home Care Service is controlled

under an Act of Parliament by the board of the Home Care Service, which is responsible for the efficiency and effectiveness of the Home Care Service. In turn, through its chairman, the board is responsible to the Minister, leaving aside the question of whether there are better structures or different structures. That is the current situation that has been laid down by Parliament.

Q. Extending that through all the programmes that you run, you could run under a similar organization structure. Just set up a board to run those particular programmes. What is the difference between the programmes that you run under your direct control and home care, which is a board responsible to the Minister?---A. It is a historical factor that the board drew up in this form and shape, in the same way as happens with a lot of different funding. We fund the Sydney City Mission and the Wesley Mission, which is a very different type of organization from the single women's refuge. Obviously, to some extent the control we have on that funding to the Sydney City Mission is different. It may be greater or it may be less, but it is different from the funding we give to a refuge. We might give 100 per cent funding to one body and we might make only a small contribution to the funding of another. Similarly, with the Home Care Service, it has changed over the years but the current basis is historical, certainly.

(Mr Marchant) Essentially the Home Care Service is different from the remainder of community funded groups in a number of areas. Unlike most community funded groups the Home Care Service is actually created by the Parliament and is incorporated in legislation specifically, which provides for both the constitution and the incorporation of the Home Care Service as a body. We act as a department only in the administration of the Minister's allocation provided by Parliament for the Home Care Service from month to month. To that degree we act as the banker on behalf of the State based on that allocation for the Minister. Essentially the board has been created by the statute and its incorporation guaranteed in the statute. It is directly responsible to and accountable to the Minister. We act as an agent for funding.

Q. You have explained the historical sequence of it but have not explained what is the advantage of that system? ---A. (Mr Heilpern) I could give you some academic advantages and disadvantages. Clearly one advantage of the current structure is having up till now-it being mainly a volunteer organization, or largely so, in the past- independence from the Government. This may have made people more inclined to volunteer their services than if it were a government organization. That may change once the financial basis of the board changes.

Up till now I have seen that as an advantage of the Home Care Service. It has had a number of branches and there have been a large number of volunteers. A large number of people provided services, even mileage in motor

vehicles, which would have cost the Government more than the cost of the service up till now. That has been an advantage. Whether that changes once you have -

Q. What about the disadvantages?---A. Certainly one of the things that might be considered to be a disadvantage is that it is not controlled by the Minister and the Government to the same extent as a departmental head is answerable to the Minister. At the moment the Minister has to give a direction to the board, whereas he certainly does not have to give a direction to me; I am answerable to him on a day-to-day basis.

I am not sure whether that is an advantage or a disadvantage. Many people might say it is an advantage. However, it is different and it is one of the structures, albeit an unusual structure in the sense that the Home Care Service has become big. If the Home Care Service was receiving \$1 million only a year, it would probably be treated in the same way as the City Mission or the Wesley City Mission, which are not answerable to me for their day-to-day running. Home Care Service is different because it has grown so big and because now the Minister has the right of direction. Until the introduction of the Community Welfare Act the Minister did not have the right, theoretically, even to give directions to the Home Care Service. The major power rests still on the basis that you can cut their funding.

(Mr Marchant) If I may take up the point concerning the consideration of duplication of services. Essentially the department has not attempted to try, in any other way, to create the types of services that the Home Care Service provides. The department does not become actively involved

in competing in the same market-place; that would be a duplication that is not warranted.

Q. Does that happen?---A. Historically it can happen in individual locations, but it is certainly not happening as a matter of course and has not during the past few years. To a degree that has come about because of significant changes that have taken shape with home care services. Home Care Services has gone from being totally funded in 1981-82, with the amount of \$8.2 million, to its position this year with an amount approaching \$50 million. The service has grown quite massively over a short period in terms of its service delivery.

If I may take up a point that was earlier made about the departmental head or the director guaranteeing the non duplication of services, there is an essential policy of attempting not to create a duplication of services. The Home and Community Care programme reinforces that by having the same objectives and Home Care Service is one of the participants in those objectives. Therefore, more resources are coming from the HACC programme towards Home Care Service because it is an organization that is already on the ground and is able to deliver those services more efficiently and effectively than by creating new organizations. I think that puts in context the question of duplication or non duplication of services. Historically the Home Care Service has been empowered to carry out services rather than have the department competing in the same market-place.

Mr SMILES: I should like to take you gentlemen up on some points that you have raised and then later I shall refer to some specific financial matters. Given what you have said about the powers and directions and reporting to the Minister by the board, Mr Heilpern, does your department have any involvement with the setting of Home Care Services objectives?---A. (Mr Heilpern) No, not directly, only through our representative on the board.

Q. With the new structure and the HACC programme, how intimately involved is your department with the setting of objectives for New South Wales?---A. Very much involved.

(Mr Nowland-Foreman) Our department and our Minister have been given the co-ordinating responsibility, including the HACC programme in New South Wales. This involves a number of different administrative authorities to implement the programme. In assigning and co-ordinating responsibility to our Minister and our department, the policy and administrative responsibilities for the various components remained with the service authorities. For example, one component of the HACC programme is domiciliary nursing. The Minister for Health and the Department of Health would clearly retain the policy and administrative responsibilities for the community nursing component. In the same way, our Minister and the home care board would retain the policy and management responsibility for that part of the HACC programme, administered through that agency.

Q. Mr Marchant, how does it work in terms of accountability. You have said that basically your department functions as a banker for Home Care Services. I understand and accept your explanation. How does your department account to the Commonwealth in that role?---A. (Mr Marchant) Under the HACC programme?

Q. Yes?---A. The HACC programme is in essence jointly administered. Officers from both the Commonwealth and the State form a joint committee and make recommendations to both Ministers. The HACC programme in total makes decisions on projects and allocations for both Ministers and both departments jointly and with joint approvals. Every quarter we provide the Commonwealth with an authorization and validation of expenditure that have taken place.

The Commonwealth funds the HACC programme a quarter in advance and any variations to the actual expenditure are corrected in the next quarter and are readjusted in the quarter following that. That is how the HACC programme is conducted. Just as all departmental programmes, the HACC programme is open to full audit by the Auditor-General; even though it is a joint programme it is still a programme that receives funds from the State and is therefore open to full auditing. The Home Care Service is just a part of that joint programme. We administer, on behalf of the Minister, those funds that are allocated to him by the Parliament. In essence that is done once Home Care Service has placed a budget with Treasury, and it is incorporated within the department's total allocation or the allocation to the Minister

for that department. During that process of budget negotiations, there are obviously some determinations made about the escalation of maintenance by the Minister and the Treasury. The allocation determines the number of hours of service because the budget depends upon the hours of service. A cash flow budget is prepared by Home Care Service over the thirteen periods, and it is a real cash flow budget on highs, lows and estimated peaks, etc. We fund on the basis of a period in advance with a readjustment during the period in which an advance is being made for the next period. It is a three tier system with the middle tier being the readjustment period for the previous period. As well as a funding determination concerning how much is available each period based on cash flow, there is also a budgeted hours allocation. A variation on those hours allocations is made in three periods throughout the year. Again this is determined basically by Home Care Services with approval from the Minister. There is an audit in the sense that Home Care Service cannot spend \$5,000 over in that period nor \$5,000 under in that period and expect to be reimbursed. That is a safeguard against higher recurrent spending in the financial years after.

Dr REFSHAUGE: You say you have a representative of the department on the board. Does that person represent the department's view or does that person put forward his own views but happens to work with the department?---A.

(Mr Heilpern) The department's view. I would expect that representative to be aware of the department's views and to represent the department. Obviously whenever you are a representative issues will arise about which you will be aware

of the department's view in a general sense. I would expect my representative to know the department's view most of the time or at least check up on it later.

Q. Would you expect that person to make decisions at the time and not have to come back regularly to find out what the department's view was?--A. Yes. If there are major issues I should expect that person to ensure that he is putting forward the departmental view and to check later if it is the department's view.

(Mr Marchant) Any officer representing a department represents the department's programmes, directions, and policies. I realise there is a small technical point of whether someone is representing someone else or is representative of the board. Everyone is a representative of the board and must act in the interests of the board. All board members must act in that way. Therefore, they would be able to represent the department's perspective on issues. No officer on any committee or board could actually represent totally the department's view until after an event has taken place. They represent the direction and principles of the department. Just because a departmental officer agreed with a decision of the board, that would not necessarily mean that his decision was the view of the departmental head or anyone else.

CHAIRMAN: Do they actually report to you in written form? --A. (Mr Heilpern) The officer concerned?

Q. Yes?--A. No. I would see the minutes or would have referred to me any relevant matters arising from those minutes. The officers who represent the department on that board are senior officers and I would expect them to know

the department's view very well. For example, Mr Nowland-Foreman represents the departments and attends meetings with the Commonwealth and discussions concerning the HACC programme. As things happen fairly quickly there may be times when he is proceeding on knowledge and information that the department has not had the opportunity of examining in a formal sense. However, most of the matters that are dealt with at Home Care Service are day-to-day matters but on broad policy issues I would expect my representatives to ensure that they have the departmental view and, if necessary, we may seek our Minister's view.

Dr REFSHAUGE: So the department has the responsibility for ensuring financial accountability?---A. Yes.

Q. Which comes down to making sure they have not overspent or underspent both in money and hours?---A. Yes.

Q. And agreeing to adjustments for the next pay period?---A. Yes.

Q. So far as the quality of care, that person, or your departmental representative on the board, is your man there to look at that area?---A. Yes.

Q. What other areas of accountability, not financial accountability, is the department actually involved in with home care?---A. I do not think it is in any other form than the ones you have described. The effectiveness of the service, the efficiency of the service, is a matter for the board and between the board and the Minister.

Q. The allocation of hours, the allocation of money per year, is negotiated between the Home Care Service, your department and the federal department?---A. No. The number of hours under the State Budget would be negotiated between the Home Care Service, the Treasury, with my department having an input. The Home Care Service is in a slightly different position because it also has a representative of the Treasury on the Home Care Service Board. Until fairly recently that representative has been the secretary of the Treasury.

Q. He had a good "in" there?---A. Yes. I am sure they welcomed the appointment. So the department is involved in that. But certainly the Home Care Service has - and rightly so - a more direct in.out into discussions with Treasury than. a normal community funded group.

Q. Somehow I have missed where the federal department fits into the negotiations on funding?---A. (Mr Marchant) You have a base

of the Home Care Service. Effectively HACC has only started to have an impact on home care at the end of the last financial year and the beginning of this financial year. The base is an agreed base between the Commonwealth and the State. Enhancements upon that base are matters that Mr Nowland-Foreman can go through in the HACC Joint agreements.

Q. So this is extra money coming from the federal Government solely?---A. Jointly.

CHAIRMAN: Dollar for dollar?---A. (Mr Heilpern) No, some of it is two to one. I think it would be true to say that the involvement of the Commonwealth in the Home Care Service will be greater as a result of it coming into HACC than it has been in the past, where the Commonwealth has been prepared to pay its share of the contribution without much involvement or even seeking a representative on that Home Care Service Board.

Dr REFSHAUGE: So it is only the extra money that is coming into it at the moment where the Commonwealth comes into some sort of negotiation with the State?---A. (Mr Nowland Foreman) Yes. Effectively because the Commonwealth has agreed on the base. Any additional funding above that needs to be jointly agreed between the State and the Commonwealth Ministers.

Q. Is that the round 1 and round 2 funding?---A.(Mr Heilpern) I think if I could Just anticipate something and comment on HACC generally. These are early days on HACC. While there is a substantial increase in the Commonwealth contribution, we have to recognize that this whole HACC programme is a money saver for the Commonwealth; even though in State terms it is a substantial increase, it is a money saver in that the Commonwealth's aim in this whole programme is to enable it to reduce its spending on the nursing home sector. So this is Just the beginning of the whole programme which will become, I suspect, a very much larger programme.

(Mr Merchant) The history of funding of the Home Care Service as distinct from HACC has gone through various stages.

At one stage the Commonwealth paid two to one. That phased itself out at the end of 1976, beginning of 1976. It then became fifty-fifty and in 1976 the State took up the Commonwealth's share on a two to one basis. So, the State portion of the Home Care Service was significantly increased in 1976 to take up the Commonwealth drawback. That has been the case each year. Now we come to HACC where the base which incorporates the fifty-fifty arrangement and is the base for the HACC agreement including the Home Care Service as part of the existing State effort. You then have three rounds of HACC. The first round is dealing with the initial Commonwealth insertion of money on a three to one basis: three Commonwealth dollars to one State dollar, over and above the base. The base is fifty-fifty. That was round 1, if you like.

Q. That was round 1 for what time, when did it start?--- A. It was actually allocated near the completion of the last financial year. Between the beginning of the calendar year and the end of the last financial year.

(Mr Heilpern) That could be said to be the carrot.

(Mr Marchant) All these arrangements are a matter of who wins on one hurdy-gurdy and who loses on the other. The second stage is two to one, which we are now going through. The third stage will be the stage in which the Commonwealth and the State determine on which basis in the next financial year they will go to the level of 120 per cent of the moneys as distributed at the end of the three to one, two to one and into the next financial year 1987-88. That is where you get the rounds. They are in fact the rounds of the enhancement which are the first input into the State HACC programme. They

form a base later.

Q. With their submissions for receiving that money or is that to be allocated on a needs basis?---A. (Mr Nowland-Foreman) The way the enhancement funds were distributed was that there were a series of broad State priorities which were agreed by the Ministers and those broad priorities gave both programme areas allocations by regional allocation, so, if you like, a matrix, a two-dimensional matrix. Within that, an advertisement was lodged in the metropolitan and country newspapers and also the ethnic press inviting expressions of interest from agencies wishing to participate in that programme. The proposals were developed in line with the agreed priorities. So, in a sense it was a marrying of a centrally directed needs-based allocation and a submission proposal. The allocation to the Home Care Service, because the Home Care Service is a statewide agency was approved at a statewide level on the basis of a distribution of funds across areas.

Q. I have heard complaints that it took forever to get approval of round 1 particularly and in fact people were asked to submit for round 2 before they even got to round 1. Why would it take so long?---A. (Mr Heilpern) This State was the last or second last to enter into the agreement.

CHAIRMAN: Why was that?---A. I think it is a government policy matter. But I might just say, as a result of that delay the result for New South Wales was much better than any other State.

Dr REFSHAUGE: We got more money than proportionately we would have?---A. Certainly more money than the Commonwealth ever wanted to give us and ever expected to give us. So, that did frustrate a number of groups who were ready. There had been

an expectation about HACC for about eighteen months and they knew that every other State had completed their negotiations and there was frustration.

(Mr Nowland-Foreman) I think it is also fair to say that in that process of negotiations the Commonwealth was not disadvantaged by the community concern about the delays and it had made its announcement that the programme was proposed to go ahead eighteen months ago.

(Mr Heilpern) It could be said - not necessarily with Justification - that the Commonwealth used the community groups to out pressure on the States to enter into the HACC agreement with the Commonwealth. I am not saying that is necessarily accurate, but it could be said.

(Mr Marchant) In essence, there has not been a substantive delay by the States in allocating round 1 after the agreement. There were a couple of issues that had to be resolved at the Commonwealth level which did slow down the Joint offices approval and the Minister's approval and those things have been rectified. Those things have been streamlined now with regard to better utilization of forums and better utilization of cash transfers, so those things will not take place.

(Mr Heilpern) More so initially, there is always time of negotiations when, in my experience of Commonwealth-State negotiations, the Commonwealth tries to impose very strict guidelines and we try to maintain some flexibility. Those negotiations are normally fairly heated early on and then the guidelines are laid down and things settle down. Certainly we went through that period.

Q. So, from the department's involvement with the accountability of the Home Care Service, the department being a taxpayer, you do

not care if the hours that they spend or utilize are totally inappropriate, totally misdirected, so long as somebody is getting paid for doing the hours?---A. I do not think it is a matter of not caring. I think it is a matter of not being my direct responsibility unless the Minister asks me to become involved.

Q. I suppose it is only your responsibility through your representative on the board who should be concerned and would bring up a matter like that?---A. Yes. If the board was doing something that absolutely concerned me beyond a policy matter, then I would certainly take it up independently with our Minister or give separate advice to our Minister. But basically it is not my responsibility and my Minister would probably tell me to keep my nose out of it. He probably would not, but he could.

CHAIRMAN: You do get financial statements, do you not?-- A.Certainly we do.

Q. What do you do with them?---A. We satisfy ourselves that they are maintaining the guidelines as laid down in both the Budget and by our Minister. On a monthly basis we supply those details to our Minister with our recommendations and also supply a copy to the Treasury as a matter of courtesy.

Q. So you actually do comment on those financial statements?---A. Oh yes.

(Mr Marchant) We do more than comment on them. We actually do a test against the cash flow to see if in fact the cash flow is being dealt with in conformity with the approvals and to test whether the hours of service have been expended at the rate and in accordance with approvals. Then we make a recommendation to the Minister as to what adjustments should be made in lieu of that the next period around. So we are ensuring the decisions

made-by the Government in allocating the money and the hours, ceilings and variations of that are adhered to. The constitution of the corporation - and it is a corporation under statute -and the responsibility of the corporation are clearly outlined in the statute.. The constitution is incorporated with the Corporate Affairs Commission and gives the board absolute and total responsibility with regard to the method in which, the way in which and the efficiency and effectiveness of the delivery of those services.

Q. But do you liaise with the Auditor-General when you are talking about that?---A. Officers of the budget branch liaise . with the Auditor-General and as you are probably aware, the Auditor-General is responsible for auditing the Home Care Service.

(Mr Heilpern) It is only in recent times that it has become the responsibility of the Auditor-General.

(Mr Marchant) The Auditor-General is responsible under the Public Finance and Audit Act.

Q. You would liaise with the Auditor-General each time those statements come through?---
A. Not on the statements.

(Mr Heilpern) No, not on the statements. The Auditor-General and our budget officers are in contact regularly. For example, we have/a representative of the Auditor-General's Department permanently situated in the head office of my department. He has access to any document that exists, access to my finance people and access to the Home Care Service report at any time.

Dr REFSHAUGE: Are you happy with the style of financial reporting through Home Care from the branches to the board and up to you?---A. (Mr Marchant) Can I deal with that in a more general sense? It is not a matter of us being happy with the

compliance of the branches with the board's accounts. That is a matter the Auditor-General has to be happy with and our officers would liaise with the Auditor-General if they have any concerns about it. What we have to be happy with are the total cash income and expenditure budgets which we receive from the Home Care Service or its executive officers with regard to each period.

We do not necessarily look behind that, unless asked by the Auditor-General, whose task it is to ensure there is compliance between branches of the body and the hospice that takes responsibility for the body. Our board member may have concerns which he may raise with the board or with the department, if he deems it an issue significant for us to raise with the Minister. Compliance between the branches and the board and with regard to the Public Finance and Audit Act and the accuracy and integrity of the accounts is a matter for the Auditor-General unless they come up at board level. We seek to ensure we are happy with the period returns, which eventually become the full year returns at the end of the period, of the hours and actual expenditure against the cash flow estimates.

Q. When you receive that information you negotiate with the board for the next four weeks?--

-A. No. If you look at the thirteen periods, we pay one period in advance. During that period we review the period previous to that being paid, and do an adjustment with regard to the cash flow for the ongoing period.

Q. Would the term be negotiation as opposed to consultation? Does that mean you do not have a final say in what happens; that you must go through the process of bargaining or trading off?--

-A. No. Consultation is more appropriate.

Q. You have a final say in what will happen?--A. We make the recommendation to the Minister for the actual payment for the next period. From the Minister's approval the payment is made in advance. We satisfy ourselves that payment should be made. That does not necessarily mean

that every issue in that return is an issue that the departmental officers are necessarily confident about. There may be occasions when those issues will have to be reconsidered in the next period.

(Mr Heilpern) That is similar to the monitoring between the Treasury and my own department. They do not audit my return. I give them a monthly return two weeks after the expiration of the month. They do not audit the report; they leave it to my auditor and to the Auditor-General to ensure I am not cheating or lying in any way.

Q. I am sure that would not be suggested. The Sydney Home Nursing Service provides a similar, though obviously not the same, service as does home care. There was a suggestion with a move to areaization that they be split up, but it has been maintained as one entity. Would that cause problems with you liaising with the Department of Health?---A. (Mr Nowland-Foreman) The Minister for Health has held discussions, in conjunction with our Minister, with the Commonwealth Minister for Community Services on the allocation of additional nursing positions under the Home and Community Care programme. That relates to issues of areaization of health services, and the future of the Sydney Home Nursing Service. That has not been an issue in terms of its relationship with the Home Care Service. Essentially, the Sydney Home Nursing Service, together with hospitals and other agencies, provide skilled nursing services. The Home Care Service does not provide skilled nursing services.

Q. Is there need for further co-ordination between those services, or is it satisfactory?---A. (Mr Heilpern) Again that is a question of policy we should leave to the Ministers.

(Mr Marchant) The Sydney Home Nursing Service is not administered by the Department of Youth and Community Services. The only relationship we have with that service is via the HACC determinations. We act on the advice of the health department against their evaluations and determinations of the appropriate hospice. Where there is concern about the hospice is a matter for the Minister for Health or his department.

Q. Is your department working toward establishing a similar type of home care service through local government? ---A. (Mr Heilpern) No.

Q. Are you funding local government to provide any form of home care service?---A. No.

CHAIRMAN: The Committee generally does not delve too closely into government policy. However, we do have a reference from the Minister, and the guidelines have been broadened so that we may involve ourselves in government policy in this area. I draw that to your attention.

Mr WALSH: I have a conceptual difficulty with how home care fits in with HACC in terms of future funding allocations. We have established that the Home Care Service receives 65 per cent of HACC funds allocated to New South Wales. Do you see the Home Care Service fulfilling the objectives of HACC in the future? If so, would that mean that the proportion of funds allocated to the Home Care Service would remain much the same?---A. (Mr Marchant) No.

Q. Will the objectives of HACC be fulfilled through the extension of other existing services?--A. That covers a number of broad issues that look to the future.

The HACC programme is the nucleus of a substantive programme. Given the Commonwealth nursing home and hostel 'review, and its link with the HACC Commonwealth-State programme, and the likely responses from that, that is likely to alter the proportion of funds to the Home Care Service as distinct from other services that fit the HACC general guidelines. If you are asking what is likely to happen in the future, and will the Home Care Service receive 65 per cent of HACC funds in the foreseeable future, say in the next five or six years, it is likely that that percentage will change, as a total proportion of the funds. That will result from issues that surround HACC, the whole HACC basis, and its effect on other programmes in this area.

(Mr Heilpern) Could I link that with a question Dr Refshauge asked? We would certainly see the need to ensure that the maximum services are provided by HACC funds. We are not into setting up new infrastructures. If we direct spending to the type of service that the Home Care Service now provides, we would certainly prefer to direct those funds through the Home Care Service rather than create a new, or a number of new, bureaucracies. We are conscious of the need to minimize administrative costs; and there is already an infrastructure within the Home Care Service. So, with home care type services we would prefer to direct funds through Home Care Service rather than set up new agencies or bureaucracies for those services.

Mr WALSH: In essence the Home Care Service is delivering services beyond the guidelines established by HACC. Is that a fair comment?--~A. Yes.

Q. You have the ultimate task of accountability, or ensuring that funds from the HACC programme are allocated to fund those home care services that fit the objectives of HACC?---A. Yes.

(Mr Marchant) The Home Care Service effectively fits within the general parameters of the HACC programme. It would be difficult to establish any services provided by the Home Care Service that do not fall within those parameters. There is a possibility that the Home Care Service may be contracted by the Commonwealth to provide other services other than those provided by the HACC programme. They might be considered more beneficial to be dealt with by the Home Care Service, such as various types of attendant schemes that do not necessarily fall strictly within HACC. The majority of home care services fall within the overall framework of the HACC programme and its principles.

(Mr Heilpern) For example, the Commonwealth may in future direct more and more of its funds to provide respite care for disabled people to enable them to stay at home. That might be a programme not considered suitable to be undertaken by the Home Care Service as it might involve a foster care scheme by which disabled people go into the homes of other people to receive respite. If that was the direction to be taken, I would not expect it to be done by the Home Care Service.

CHAIRMAN: How do you handle a complaint against the Home Care Service that comes to your department?---A. On the whole, we do not. We would redirect it to the board. Similarly, with correspondence that comes to our Minister relating to Home Care Service matters. They would be referred 70625-17542--17

to the board. That is not to say the Minister might not also ask for departmental advice.

Dr REFSHAUGE: What about not specific complaints, but more general complaints, like when some years ago the Home Care Service hardly had one Aboriginal client on its books? Would you have regarded that as something you should have been involved in changing? If so, how would you do that?---A. I would take up that matter, perhaps informally, with the board and try to influence them, as a welfare partner would. If I did not get anywhere, and felt strongly about it, I would take advantage of the fact that we have a common Minister and press the point that way.

Q. It would be a somewhat informal mechanism of being involved in policy?---A. Yes. The fact that we shared a common Minister, and that there are common interests and concerns, means that Home Care Service matters are discussed; are matters that the Minister would not think strange to discuss with me. However, he would not necessarily take more notice of me than he would of the departmental head of the Health Department.

(Mr Marchant) In the process of the budget formulation, and otherwise, we as a department give general policy advice or direction to the Minister. If there were enhancements in years past that might incorporate some of those enhancements, being specifically on his direction, directed to overcoming particular areas such as disability services. That is the general role of a department in an advisory sense.

(Mr Heilpern) If the Minister suggested to me his priorities in community funding were to be directed towards

Aboriginals I would certainly point out to him he should give such a direction to the board of the Home Care Service.

Q. I should say that the Home Care Service already has taken steps to correct that deficiency?---A. I am well aware of that.

Q. Does the Commonwealth Government effectively require you to look after the financial accountability of the Home Care Service; or does it become involved in financial accountability to the same level as your department? ---A. (Mr Marchant) Essentially we have been responsible for the administration of funds, both under the Home and Community Care programme and previously under the Home Care Service State grants committee. The auditing has been undertaken by the State and the financial accountability of those funds has been undertaken by the State, with a verification of expenditure to the Commonwealth. For Commonwealth purposes they receive a signed document by an officer indicating that money has been expended appropriately or otherwise. There are significant penalties for certifying matters incorrectly.

Q. How many officers of your department spend time on the administration or the accountability of the Home Care Service?---A. (Mr Heilpern) I do not think we have any specific officer whose sole function is to deal with the Home Care Service. At various times of the month and year our finance section would be involved with the Home Care Service. That would involve my finance manager and director of finance . and property, and their various budget officers.

Similarly my regional staff would have involvement with branches of the Home Care Service. In the department there would be, I guess, hundreds of people who relate to Home Care Service throughout the State, but not exclusively.

I do not think any are exclusively appointed for that purpose. There are no officers that are exclusively on Home Care Service.

Q. Home care itself is proud of the fact that its administration cost is less than 24 per cent of its total budget. Would your time that is being spent add significantly to that 24 per cent maximum?--

-A. No.

Q. Do you think 24 per cent or less is a reasonable level of administrative costs for a community organization? Your department funds lots of community organizations. Where does it fit?--A. It is very hard, because there is no similar body to the Home Care Service. It operates through 168 branches throughout the State. Therefore, it is difficult to compare it with similar bodies. Similarly, it is a single issue organization, so it varies a lot. I know of no group that you could really compare it with to say whether it is relatively efficient as far as administrative component to field component.

CHAIRMAN: What would be the administrative cost for, say, the neighbourhood centre programme?--A. (Mr Marchant) We do not fund necessarily neighbourhood centre programmes on the same basis as the Home Care Service fund - that is 100 per cent level funding. We fund most community groups as a contribution towards their costs and a contribution towards their costs that incorporates a salary based subsidy and an allowance for administrative costs, but that may not have any bearing on the

totality of their administrative costs.

Q. But it would be pretty similar?---A. No, it is nowhere near 100 per cent.

Q. It is a community organization of local people who either rent premises or own premises, and you fund the salary the same as home care funds a salary and the community centre then runs its own programmes?---A. We do not fund on the basis of the totality of service. We fund as a contribution towards the service.

(Mr Heilpern) We might get an application from a neighbourhood centre for funding of \$100,000 where we might end up contributing \$5,000. End of story. They might be able to get that \$100,000 by getting some money from the Department of Health, getting some money from the Commonwealth or volunteers, but we just make a contribution that varies from organization to organization.

Q. Just as a ball park figure, would you know the percentage of your overheads or administrative costs for that programme?---A. The neighbourhood centre, no. Again, I do not know whether it would be possible and whether it would be meaningful, because some would have a fairly high component; others would have low. I would expect, for example, the Kirribilli neighbourhood centre to have much lower administrative costs than a neighbourhood centre in the Mount Druitt area, because, significantly, it is easier to get volunteers in affluent areas than it is in very much working class areas, because those families are out there working, so they might need more staff in order to operate.

It would not necessarily mean they are more efficient or less efficient. I could certainly do some checks, but I do

not know if I would come up with some meaningful figures, in the same way as attempts to compare administrative costs with like welfare departments or like health departments in other States normally fails because of the huge differences. We only look after juveniles up to seventeen years of age. It is very hard to find a like basis for comparisons.

(Mr Marchant) I must point out that the basis for comparisons relates to what we count as administrative costs. In the Home Care Service what counts as administrative costs are training and travel matters. Some other organizations may not do that. They may count them as operational costs the travel to and from a client and the training of their personnel. I would not want to suggest it, because it is an unfair comparison, but when you take into account the percentage pick-up of discounting the administrative costs of the Home Care Service without looking at the integrated items within that, you may find that their administrative costs are not necessarily as high as what they term administrative costs relative to other government departments or other organizations who would count a lot of their travel arrangements within their operation.

(Mr Heilpern) In our department the percentage of our administrative costs in, say, 1975-76 to the total budget would have been something like 65 per cent, taking salaries and other expenses. Now it would be down to 52 per cent. That does not necessarily mean we are any more efficient, although I like to think we are. What it means is that there has been a large increase in the proportion of our funds that go to community groups. Therefore, the administrative component in

giving out funds to community groups is less than providing direct services. Looking at it in 1975-76 it was 65 per cent; now it is 30 per cent. I am guessing. I do not know. It has certainly been halved. That does not necessarily mean we are any more efficient. It means we have changed the nature of what we do, and the major increase in the funds of the department in the past ten years has been directed towards community funding in the same way as you would find that community funding used to represent perhaps 5 per cent to 6 per cent of the department's budget and now it represents 50 per cent. It does not mean we are any more or less efficient.

Dr REFSHAUGE: You think it is a spurious measure?

---A. No, I think it is a measure. I am not sure whether I can compare it. I would need to have a look at what they have got and what they count as administrative costs. I would say that I would be surprised if it was unnecessarily high. I think that that is a fairly lean figure and one that they could be proud of, but I would need to do a lot more work to confirm that.

Q. Is that because you know the organization or

because of the figure?---A. Because of the general ball park figure when I compare it with my own and the sort of figures they talk about in welfare departments. In the 20's is getting into a reasonable figure. If you said it was 15 per cent I would be surprised. You would have to look also at the effectiveness of it.

(Mr Marchant) There is another issue related to that apart from the question of how that percentage is brought up and

what is counted within the base of that, and there is another comment whether as a rule of thumb that is a high percentage. In essence there are some other issues, and that is in a human service delivery agency you will essentially find when you are resting on a percentage of volunteers and a percentage of trained staff dealing with a whole range of different client services, as opposed to handing out tickets on railway stations, your administration of co-ordinating those human services and placing the appropriate people and assessment of that will be slightly higher than, say, a mainstream goods and services delivery agency. That is essentially because it is dealing with less quantifiable attributes in the sense of how many tickets you gave out or how many oranges you sold. Therefore there are assessment costs and criteria within that which tend to produce a situation where the actual percentage of time that may be counted as administration in one sense in another area might be counted as market criteria and, therefore, part of a different criteria as distinct from administration. So essential human service agencies tend to have a higher human component than a goods and services agency, and that human component tends to be their only asset.

Q. Just coming back to the line of questioning I was following earlier about your weighted demographic data, what area do you use? Do you use the home care areas themselves, the branch areas or regional areas, or do you use local government areas?---A. (Mr Nowland-Foreman) Our primary basis for planning for HACCS services as a whole is what we call HACC regions. They correlate to both the homecare and Department of Youth and Community Services regions.

Q. But not the Department of Health, the Department

of Education, the Department of Main Roads or anyone else's regions?--A. We have a significant achievement, because they are only minor variations on the Department of Health regions, so we have three key health welfare agencies with common planning boundaries for this programme. We have not attempted to go further than that, but the regional basis has been the primary basis for the planning, essentially because we believe that below that level in fine tuning allocations the statistics are not good enough to give you local area information. We need to rely on experts in the area.

CHAIRMAN: Does the department have a contract with

home care for the provision of services?---A. (Mr Marchant) Effectively, on occasions you can have a contract that deals with a particular welfare matter organized by a particular regional or district office for the provision of a particular service to a client. That can happen when there is a special matter that is raised about a client where there is a particular arrangement made.

(Mr Heilpern) Garth was just saying there is a letter from the Treasury. I did not think you were really talking

about that as far as a contract.

(Mr Marchant) You were talking about actual service at a particular point or place?

(Mr Heilpern) It would be rare; not as a matter of

course.

(Mr Marchant) But it does and can take place when particular circumstances are created.

Q. So it is only in particular areas, but for the over,!!

there

service that home care provides/is no contract between them and

you to provide that service?---A. (Mr Heilpern) There has been a close relationship between the Home Care Service and the department for many years, and I would expect it to remain so. I would expect there to be give and take on a matter like that at a regional level. I would expect my departmental officers to assist the Home Care Service in a generous way, and I would expect them to be generous to my clients. I am talking about space. We share head office space and Home Care Service is in the head office.

CHAIRMAN: The closest you would have to a contract

would be that correspondence from Treasury with some directives in it. We might get a copy of that.

Mr SMILES: I should like to ask a few questions relating to evidence that came before the Committee this morning. David, I wonder if I might ask you, do you in your role or does the department as a whole undertake future projections in terms of funding needs and the like?---A. (Mr Marchant) We do, and we have undertaken, especially over the past six months, some projections about client shapes and services in the years ahead. Yes, we do.

Q. You say years. What multiples are we talking about? How many years would you base it on?---A. We have looked at options over a ten-year period.

Q. Some evidence was provided in terms of administration to field staff and administration to field hours. Notwithstanding what you said a moment ago, Heinz - and David, you also made the point it is very hard to do direct comparisons - do you have statistics that break down into ratios of that nature for some or other of your services?---A. For the hours of service against the cost per hour of service?

Q. And more particularly administration as against

field hours?---A. (Mr Heilpern) For groups that we fund?

Q. Yes.---A. Yes, but I am not sure how relevant it

would be. I am thinking of children's services. We would certainly have it. Whether it would give any meaningful comparisons, I do not know.

(Mr Marchant) It is a completely different market-place, dealing with a completely different range of criteria. You are dealing with a centre-based activity, with a person's presence, et cetera, that has a completely different shape to the service delivery.

(Mr Heilpern) And there would not be any mileage involved in it, so there are no areas of travel. Certainly we have it in various areas, but I really cannot think of any areas that we have it in that would be meaningful. I can certainly find out if the Commonwealth has any. The Commonwealth has tried this, but at the same time all I can go on is I know they have adopted our needs based models and our statistical models. They have adopted, I think, Home Care Service's needs based models and administrative models in more respects than our own.

Q. Let me say I am very mindful of the limitations of direct comparison and I ask if you could assist the Committee at this stage, given that this is our first day of investigation in terms of New South Wales, although, of course, we have been interstate; but if you could assist, I would appreciate it?---A. Certainly.

Q. In terms of some of your programmes with regional liaison officers, whatever their title, could you provide the Committee with some examples of duty statements, not so much relevant to your department but again as a means of comparison to those regional liaison officers that we are looking at with the Home Care Service?---A. I do not know whether we have any. I do not think we have any comparisons.

(Mr Marchant) We have regional community programme officers who look at generic programme areas.

Q. I am looking particularly at officers who set out from a head office to visit a regional office.

CHAIRMAN: Such as pre-school officers?---A. Children's services advisers, yes.

Mr SMILES: Does your department have field auditors or does the auditor travel from welfare centre to welfare centre? ---A. (Mr Heilpern) Yes, internal auditors and external auditors.

Q. Can I assume that the external auditors are those

who travel?---A. No, the internal auditors as well.

(Mr Marchant) We have a directorate of audit review which incorporates the compliance auditing internally, and there are external audits done outside that realm separately.

The internal auditors departmental auditors travel around from place to place and location to location.

Q. I am particularly interested in the departmental auditors. Could you give me some indication of their professional background prior to recruitment, and what training they have undertaken since joining the department?---(Mr Heilpern) Yes, we will provide that.

Q. In terms of client profile, this morning when I was listening to witnesses associated closely with the Home Care Service, I was particularly aware that the single-parent families constitute some 3 per cent of their client base, and I was particularly aware that the assessment procedure, where they have an ongoing client, involves an assessment every six months or longer. In terms of your experience running welfare services, given the nature of home care services, on a broad analysis would a 5 per cent component of single parents be somewhat lower than one would expect in the society?

CHAIRMAN: That is for home care?

Mr SMILES: Yes.----A. Yes, I would not have thought it would have been that low. It is lower than I thought you were

going to say. But I should like to know exactly what services we are talking about because they provide a range of different services. Are they talking about overall services?

Q. Overall services in totality?---A. (Mr Nowland-Foreman) If I can interpolate, under the home and community care agreement which is now the funding arrangement, one of the areas where the State did virtually agree to the Commonwealth

proposal was in its definition of priority and no-growth areas. The Home and Community Care programme as a whole is primarily aimed at frail aged and other disabled people who are living in their own homes. The Home Care Service of New South Wales has previously provided, and continues to provide, services not only to frail and disabled people but also to families in crisis. This has specifically been designated a no-growth area under the joint funding agreement, so that is an area where, though there is a capacity to maintain current levels of involvement, the additional funds are not available for that purpose.

(Mr Marchant) You would expect to have a different mix between single-parent families than, say, you would have in the child protection programme and in the substitute care area or the juvenile justice area, mainly because the target group is much more tailored towards people in the 0 to 12 and 0 to 16 age groups.

Q. In terms of the assessment, I alluded to the fact that the Home Care Service at the moment, with its ongoing clients, is looking at a six-monthly review or six-monthly review assessment, if that is the term. In the areas that you have to give attention to, do you regard six-monthly assessment periods or longer as being appropriate for welfare recipients?

---A. (Mr Nowland-Foreman) It would be very difficult to give a single time. In the Home and Community Care programme as a whole, various Commonwealth and State reviews have identified that generally across Australia assessment is at a lower level than people would have expected, and that reassessment is almost non-existent. I think in comparison to the national scheme,

seen as a whole, the Home Care Service of New South Wales in my estimation would have one of the better levels of assessment and reassessment. Obviously it is an area that can be improved, and one of the objects agreed under the Home and Community Care Programme is to progressively improve the assessment arrangements, because that was identified by governments as an area of deficit in the past.

Q. As an addendum to that question, if you have a situation of a client receiving a welfare visit once a week, whatever the nature of the welfare visit, and that is the primary source of assistance for that client to remain in a stable or improving situation, how long before a client moves into a dependency situation which is very difficult to break out of? How long do people take before they become psychologically dependent on a service like that?---A. (Mr Heilpern) I do not think one can give any answer to that. That would so much depend on the individual concerned and the exact circumstances of that individual.

Q. I qualify the question just in terms of the elderly

a seventy-year-old plus?---A.(Mr Nowland-Foreman) If an elderly person was receiving regular assistance in the home on a weekly basis, that may in fact make the difference between helping her or him to actually be an independent member of the community.

(Mr Marchant) I think we can supply some evidence to show that, relative to being placed in a nursing home environment, they would be more independent by receiving some part-time assistance at home. We can actually give you some studies which would show that the relative independence is much greater by

servicing provisions at home, relative to the other alternatives. I think we can provide you with good material that supports that.

Q. My input there, in the nature of your officers undertaking research, is based on this assessment dependency relationship, given my concern that a massive 75 per cent of those receiving Home Care Service attention have been in the programme for many months, and so obviously there must be some concern in terms of flexibility to take on new clients?

---A. That has to be looked at in relationship to the whole

and

range of research/options available with regard to that client

group. Rather than off-the-cuff, I think we can actually go through that analysis and provide to you some quite reasonable research which shows the alternate economies and benefits to people being able to live independently without deterioration in health or mobility, which can clearly be shown relative to

other more institutionalized arrangements. .

Q. I should be very grateful if that evidence included some study of dependency levels, too?---A.

Very well.

(The witnesses withdrew)

(The Committee adjourned at 4.24 p.m.)