



## The Hon. John Ajaka MLC

Minister for Ageing  
Minister for Disability Services  
Minister for the Illawarra

Mr Stewart Smith  
Director  
Budget Estimates  
Room 812  
Legislative Council  
Parliament House  
Macquarie Street  
Sydney NSW 2000

[budget.estimateds@parliament.nsw.gov.au](mailto:budget.estimateds@parliament.nsw.gov.au)

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Dear Mr Smith,

With regards to the Budget Estimates hearing, held on 19 August 2014 on the Ageing and Disability Services portfolios, I enclose the following documents:

1. Answers to Questions taken on Notice during the hearing.
2. Answers to Supplementary Questions on Notice.

Should you require any further information, please contact Nicolle Nasr in my office on (02) 8574 6400 or [nicolle.nasr@minister.nsw.gov.au](mailto:nicolle.nasr@minister.nsw.gov.au).

Yours sincerely



**John Ajaka MLC**

## **BUDGET ESTIMATES 2014-2015 - Transcript Questions**

### **Ageing, Disability Services**

#### **QUESTION 1 – Pages 4-6**

**The Hon. HELEN WESTWOOD:** It needs to be asked. Josh Cowling is a 31-year-old who lives in Parkes. Josh requires 24/7 support in all aspects of his life and receives home care from two workers funded from the High Needs Pool. Minister, I will quote from your answer to a question. You stated: "Individual participant funding levels are exactly the same on the Community Support Program. In fact, Josh's proposed Community Support Program [CSP] funding of \$71,576 will not cover the level of assistance he currently requires with services currently estimated at \$124,536." Those figures are per annum. The response from Ageing, Disability and Home Care [ADHC] to the funding shortfall has been to suggest that his mother provide more informal support such as showering and toileting on the weekends.

Josh is quite a large man and at 31 years of age he is embarrassed and distressed at this suggestion. His condition has not changed and nor will it improve. How can the reality of Josh Cowling's situation, as is the case for many others, be reconciled with your response that I quoted earlier and also ADHC's letter of 7 August this year advising Josh of the change from the High Needs Pool to CSP: "The changes provide individualised funding and expand choice and flexibility in how individuals can use these funds to address their support needs in line with their goals, preferences and lifestyles?"

**The Hon. JOHN AJAKA:** Thank you for that question, Ms Westwood. As that is an operational matter I will say a few things and then hand over to Mr Longley. In 2013-14, the Attendant Care Program and High Needs Pool were merged under a new Community Support Program for people with physical and neurological disabilities. These changes help to implement the Living Life My Way framework in Ready Together by providing greater choice and control for people with disability. In 2013-14, these programs were funded \$100.7 million to support 1,344 places. In 2014-15, this program will expand with an additional \$4.9 million through Ready Together for an additional 60 places. The Community Support Program includes the allocation of an individual budget and for existing participants the budget is the same as the funding allocated under the previous programs. Unlike the Attendant Care Program and the High Needs Pool, the Community Support Program does not dictate the type of support nor the cost per hour.

Nearly all Community Support Program service providers are providing the level of support for participants under the new program as they received in the Attendant Care Program. The Department of Family and Community Services is working with a small number of service providers that have increased their cost beyond the former attendant care benchmark to ensure there is no reduced service for participants. The few affected participants have access to a support plan to help them make informed choices. Disability support programs will continue to be streamlined and aligned with Living Life My Way as part of Ready Together to assist the smooth transition through the National Disability Insurance Scheme [NDIS]. The changes are in line with what people with disability told us they want through the Living Life My Way consultations and helps individuals prepare for the NDIS.

**Mr LONGLEY:** Thank you very much for that question. It is very important to recognise that the new CSP model is about individualisation. Indeed, you asked a question earlier about individualisation. It is a very important program and a very important understanding. As we move towards the NDIS, that is where we want to head, and under the original Stronger Together packages moving towards individualisation was key in terms of doing that. It is significant that under this process of moving people into individualisation, providers are now required to provide the full cost of providing that service, and so you do not have hidden costs, subsidisation and so on. Again, that is one of the advantages of moving to a NDIS.

In fact, it makes all of these things quite explicit and that is part of making sure that the system is fully funded, fully costed and fully provided to people with disability. What that can mean, of course, is that the full cost of providing that service is actually greater than the original allocation under the High Needs Pool and the Attendant Care Program. Again, as part of that added transparency that we want, it is a very significant element of that. However, and this is the critical point to the question you are asking, even though the full cost of that service, when you move to individualisation, might be greater than the allocation, where that does happen, the Home Care Service in fact has undertaken to continue to maintain existing High Needs Pool and Attendant Care Program clients at the current service levels, and that is really a very significant element there.

The guidelines for CSP mean that, as I said, sometimes those costs will include now the field cost and the administrative cost and sometimes that might yield a notional loss, but clients can choose to remain with the Home Care Service, and the Home Care Service will continue to provide and maintain people at the current service levels. You have raised an individual's name and I do not have the details of that on me. I am happy to make particular inquiries with regard to that person but it is important to know that transparency is significant as we move to the new NDIS in our own processes.

**The Hon. HELEN WESTWOOD:** Mr Longley, I think that the problem with your answer is that in fact it is ADHC that suggested that his mother provide services, such as showering and toileting, on the weekend. ADHC recognises that there is a gap and it is saying that she should provide it. That does not reconcile with what you are saying, that people will not lose service. Clearly in this case they will.

**Mr LONGLEY:** You have raised a particular individual and made certain statements. I will need to verify whether they are accurate or not. I will take those elements of the question on notice. But I do want to reiterate that the homecare service does undertake to continue to maintain the actual existing service level for the High Needs Pool and Attendant Care Program, even though the costs of individualisation might notionally be higher than that. We have committed to the service level and that is the important thing. Obviously, when you have a range of highly individual services and so on there is a lot of discussion with families, carers and the person with disability.

You have raised certain issues there. I am certainly happy to have a look at those and refer further detail and take that as a question on notice. The general principle there is quite clear and strong, but it is all part of moving to the NDIS. It is very

important to emphasise that the NDIS is a fully funded and fully costed system, and we are still operating under a State resource-constrained system. That is the value of moving to this new system and individualism is part of that. We need to be transparent as part of that process and we want to make sure that we do that properly. We do know that once we have moved to the full NDIS system we will have a system that is fully funded, fully costed and will ensure that the needs of those individuals are fully and properly met.

## **ANSWER**

Due to privacy issues, the Honourable Member is encouraged to contact my office to discuss specific client details.

The NSW Government is committed to a service system that increases choice and control for people with disability. This commitment is in *Living Life My Way* with a move to individualised funding.

In preparation for the transition to NDIS, the ACP is being merged with the High Needs Pool (HNP) under the new Community Support Program (CSP). The CSP provides participants with greater flexibility, choice and control over their disability supports. Under the CSP, participants are allocated an approved individual budget rather than a prescribed number of hours and type of support.

For individuals transferring from ACP and HNP, the individual budget is based on their current approved hours of support, inclusive of direct and indirect costs. Participants decide how they want to use their funds in an individual plan. No client will receive less hours through this reform.

Under the CSP, there is no set hourly rate for services and other expense allocations, such as administration fees. Those rates are determined by service providers. All CSP participants have the option to choose their own service provider

The Home Care Service of NSW (HCS) is an approved CSP provider and is committed to maintaining existing services to current High Needs Pool and Attendant Care Program clients if they choose HCS as their service provider when they transition to the CSP.

## QUESTION 2 – Page 6

**Ms JAN BARHAM:** I understand that the community complaints policy, which was due to be finalised by the end of 2013, has been delayed because of the revised Family and Community Services organisational structure. Minister, can you advise when that document will be released?

**The Hon. JOHN AJAKA:** Ageing, Disability and Home Care [ADHC], as part of the Department of Family and Community Services, considers that it is vital to have a robust process to respond to, record and manage complaints. In responding to complaints the immediate concern of ADHC is to address immediate safety and support issues with clients. This is done at the local level by district staff. Additionally, complaints management takes advantage of information provided from community stakeholders to ensure that the quality of service is maintained and to provide the information base necessary to continually increase services. Our complaints handling system gives the department a means of maintaining client satisfaction service delivery. It is an important indicator of how well it is meeting its corporate objectives and an early indicator of emerging corporate risks. It is also a means of identifying good service delivery. I am just waiting on some information in relation to the specific issue raised by you.

**Ms JAN BARHAM:** Notice of this has been given because I have asked this question a number of times in House. Do you want to take the question on notice?

**Mr LONGLEY:** It is important to note, as Family and Community Services moves towards a whole integrated system, that ADHC is within that system. The first concern of ADHC is always to address safety and support issues, and that is done at a district level.

**Ms JAN BARHAM:** Do they operate within a complaints policy? All I am asking is whether or not that commitment has been realised and where it is up to in view of the organisational change.

**The Hon. JOHN AJAKA:** I will take that question on notice.

## ANSWER

In August 2014, Ageing, Disability and Home Care endorsed the FACS Community Complaints Policy for Ageing and Disability Direct Services and the FACS Community Complaints Guidelines for Ageing and Disability Direct Services.

These documents have been disseminated to relevant staff who will receive briefing and/or training opportunities from September 2014.

**QUESTION 3 – Page 8**

**Ms JAN BARHAM:** Do you have any details about whether those 27 people from last year were actually moved into homes?

**The Hon. JOHN AJAKA:** I will take that on notice for you.

**ANSWER**

The majority of the 27 people have now moved.

#### **QUESTION 4 – Page 9**

**Ms JAN BARHAM:** I will ask one further quick question now. My question is about dementia patients and the impact of the Commonwealth Government's current reduction in funding for dementia programs. I am wondering if the Minister for Ageing, and Minister for Disability Services is able to indicate whether that is going to have any impact on the State budget and services provided to people with dementia?

**The Hon. JOHN AJAKA:** Let me come back to you on that. I may have a note on that, and I know it is a Commonwealth matter. Let me come back to you on that. I know I have read something about it and I may have a note on it.

#### **ANSWER**

The Commonwealth Government released a statement on 26 June 2014 indicating that the Dementia and Severe Behaviours Supplement would cease on 31 July 2014.

This payment relates to the operation of Commonwealth funded residential aged care services and as such does not impact on NSW responsibilities.

**QUESTION 5 – Page 11**

**The Hon. ERNEST WONG:** How much are you paying Newgate Communications for services around the transfer of ADHC services?

**Mr COUTTS-TROTTER:** We would have to take that on notice, but the transfer project is actually funded by the Treasury from the Crown. It is not funded from the agency's appropriation. It comes through the Treasury, but we would need to take that on notice.

**ANSWER**

This question should be directed to the Treasurer.



**QUESTION 6 – Page 13**

**The Hon. ERNEST WONG:** Minister, thank you for mentioning transparency. Currently I find that there is no information on the tender website when you are paying Newgate Communications for services.

**Mr COUTTS-TROTTER:** Again, we would have to take that on notice and direct it to our colleagues in the Treasury.

**ANSWER**

This question should be directed to the Treasurer.

## **QUESTION 7 – Page 13**

**The Hon. JOHN AJAKA:** Thank you. I can indicate that New South Wales funds a number of dementia projects for younger people. My department works closely with the Commonwealth in relation to dementia. I am advised that the issue referred to relates to a decision by the Commonwealth to end the payments to eligible dementia payments in its residential aged care facilities. While this is a Commonwealth matter, I am happy to seek further information from the Commonwealth, take the question on notice and come back to you.

## **ANSWER**

Refer to Transcript Question on Notice 4.

## QUESTION 8 – Page 15

**Ms JAN BARHAM:** Do we have a guarantee that they will be better paid and that those jobs will receive increased payment? You can take that on notice. but last year I asked about the base unit price for self-care activities and the disparity between the ADHC price and the Commonwealth price. I understand there has been an increase, but there is still a shortfall of \$10 between the State and Commonwealth price. Where is that going to go and are we going to see parity by the time we get to 2018?

**Ms TAYLOR:** The base rate that you are referring to is a 9-to-5 weekday rate and not a composite price, which is a point of difference between the way in which we determine our hourly rate for service delivery and the way in which a number of non-government organisations do it. The way in which the NDIS calculates costs across an individual's plan is broken down to quite a level of detail, and prices match the different styles of support that the person needs, and the time and frequency of those supports. There has been an adjustment to that base rate to reflect a more efficient price for the non-government sector and for work done by the National Disability Insurance Agency [NDIA] and National Disability Services, and that price did increase.

**Ms JAN BARHAM:** Thirty-six?

**Ms TAYLOR:** Above 36—I think it is 38.5—but we might need to take that on notice to give you the exact number. So there are adjustments and we do not believe that there are any direct impacts on workforce attraction driven by prices. There are a number of national projects being driven around market development, and workforce development and attraction that we are also happy to provide you with details of, on notice. National Disability Services [NDS] has been commissioned by the Commonwealth. The Department of Social Services is leading the project on workforce development on behalf of all jurisdictions and NDS is giving some guidance about types of activities that governments might progress in order to grow the workforce to the extent that we need nationally.

## ANSWER

The NDIA's average base price is outlined in Support Cluster Definitions and Pricing for NSW released 1 July 2014 and updated 5 August 2014.

The Australian Government is establishing a national policy position on the future structure of the disability support market under full scheme NDIS. The national Senior Officials' Working Group has been established and is focussing on disability sector market development policy. Additionally, the Australian Government Department of Social Services (DSS) has commissioned National Disability Services (NDS) to lead the development of advice on a National Disability Workforce Strategy.

## QUESTION 9 – Page 15

**Ms JAN BARHAM:** People with disabilities in rural areas sometimes require commuting a long distance to access basic services. What support is available or will support be increased over time?

**The Hon. JOHN AJAKA:** Absolutely. One of the great advantages and pros of the NDIS for individualised funding is that, as you know Ms Barham, the current position of group funding is where an organisation has so many spaces, full stop. That is it. It is in a location. It is not moving. People have to come to it. Once people with disabilities have individualised funding they can choose the services they want and where they want. It will have a huge impact on services meeting that demand. Services will have to come to people with funding. No longer will it be the person with disability has no choice but to simply go to where the service provider is. I can give you a number of examples.

In Cowra in western New South Wales group home accommodation is also provided by a nongovernment provider. In this case, House with No Steps receives funding of \$1.3 million to provide accommodation for nine people with disability, including three young people who formerly lived in residential care. When those individuals obtain their individual funding they will determine whether they want to remain with the current service provider. Whether new service providers come within the regions, funding is available for them. I am very confident that as we transition to the individualised funding packages you will see a great difference. Also, in all the different country and regional areas I visit, local councils are looking at providing additional services because individualised funding will be available to be able to use those services.

**Ms JAN BARHAM:** In the interim, what level of support is the State providing for those who have to travel? Concerns remain around the costing and pricing of services in respect of distance and allowable travel time to get to pathology or any other specialist services. I am happy for you to take that question on notice.

## ANSWER

In 2013/14, funding of \$9.2 million was provided to 112 community transport services across NSW via the Community Care Supports Program.