

## Advice Regarding Status of RAM

### Response to Questions asked by the Minister's Office

1. What is the status of the RAM? The Minister's Office is under the impression that the Minister has not yet endorsed its roll out, and is awaiting a communications strategy and its link into localisation. What are expected dates around the progression of the RAM and implementation over the next 12- 18 months.

No dates have been set for the implementation of the RAM. The original timeframe proposed for implementation (January 2013) is no longer current, and will need to be revisited in the context of localisation. It is unlikely to proceed before 1 July 2013 given other structural and program changes needed to establish the Districts.

2. The advice from Marilyn today implies that the RAM is at least partially implemented. Please advise what advice has been provided to RDs about budgets and does this advice align with proposed RAM allocations? *Regional Allocation Model*

In August 2012 Regional Directors were allocated 2012/13 budgets that included a partial RAM implementation starting in Jan 2013. Regional Directors have since been advised that the RAM will not be implemented during 2012/13 but are still expected to manage within the allocated regional budget. Given it is an evidence based approach to resource allocation, as RDs need to make decisions and plan around their regional budgets, the RAM is the most appropriate tool for them to use in making those decisions. | \*

3. The figures for Wollongong CSC appear to show a decrease from 39 FTE at the start of this FY (June 2012) to 28.6 under the RAM. This is a decrease of about 25%. Does this mean that the Wollongong Office has been running over budget prior to now by 25%? Has Wollongong been over allocated and over resourced for the past 4 years? Will has requested the budget allocation for all labour expenses (including salaries, workers comp, etc) and actual expenditure for Wollongong for the past 4 financial years, plus this years budget, YTD expenditure and predicted FYE.

Regions are accountable for their budget at the regional level. Decisions about CSC staffing levels and associated funding are made by RDs. The RAM was designed to allocate resources at a regional level and RDs can then decide whether to adjust individual CSC allocations. | \*

The budget allocations over the past years have been built using different methodologies so a comparison of year on year will not give an answer to the above questions posed. Regions have had to manage budget allocations as best as possible given this has been a primary accountability.

Point in time occupancy has been one method to balance budgets by only allocating for positions that were occupied on a given day. Another methodology has been applying a vacancy rate (usually differential across regions – dependent on how many positions were funded)

The RAM was applied after the budget was determined to cover costs for 2068 caseworkers. The previous year's establishments then do not compare.

4. Will is also interested to understand how the RAM has calculated a 25% reduction for Wollongong - please provide the ROSH (etc) evidence that supports this.

Please see attached presentation.



5. Please confirm that the staff in question below are all caseworkers, and if not how many of the staff in each case were administrative.

All the staff were caseworkers.

6. Please provide the actual dates that the staff in question left the CSC.

The decrease in Headcount/FTE is as a result of 6 people exiting the CSC. The reasons for the staff exits are as follows:

Reasons for Exit	Date of Exit
1 Permanent Staff Medically Retired	10/11/12
1 Permanent staff Transferred Out	12/11/12
1 Temporary contract was not renewed	14/7/12
1 Permanent staff H.D.A out to another CSC	13/8/12
1 Permanent staff seconded out to another CSC	17/8/12
1 Permanent staff resigned	19/10/12

7. ~~Willis of the understanding that a lot of work was done from the 2011/12 to 2012/13 budgets to get Regions and CSCs back within budget. How is that we are now still needing to reduce staff numbers to live within budget?~~

Work was done to more clearly articulate the resources available and the budget for staffing; this was to address some of the historic anomalies and practice. ~~The RAM was designed to then look at how the available resources should be allocated in a robust, evidence based way across the state based on need. It was done at a regional level.~~ Regions are still required to manage the allocation within a budget envelope and so RDs make decisions (using the RAM) about how to manage staffing across various CSCs to respond to need and to live within their allocation

